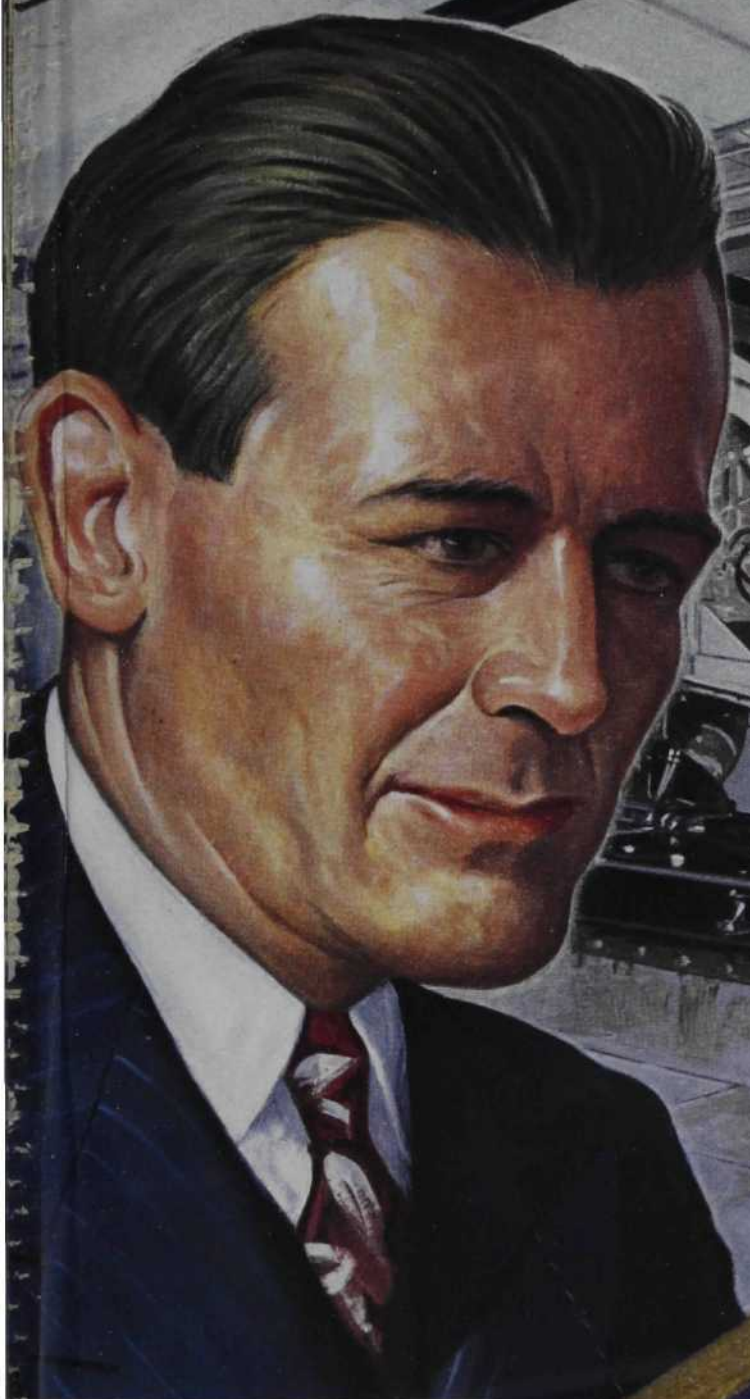


October *NATION'S* 1946

BUSINESS



FRANKLIN
WINTHROP
28

CIRCULATION OF
THIS ISSUE

524,983

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Test your word knowledge

of Paper and Printing



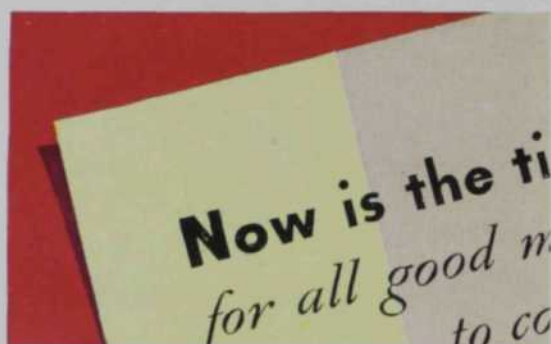
1. Printing Smoothness

- ☐ Efficient press operation
- ☐ Result of kiss-impression make-ready
- ☐ Smoothness of paper under printing pressure



2. Ives Process

- ☐ Production of 3-color halftone plates
- ☐ Process of machine-coating paper
- ☐ The measurement of attention value of pictures



3. Split Fountain Printing

- ☐ Composition requiring two styles of type
- ☐ Way of printing two colors at one impression
- ☐ Printing requiring only half a fountain



4. Luster

- ☐ Highlight spot in a halftone
- ☐ Property which makes paper reflect light
- ☐ Property which makes paper emit light

ANSWERS

1 **Printing Smoothness** is the surface smoothness of paper under pressure equivalent to that developed on a printing press. And surface smoothness, in high degree, is one of the characteristics for which Levelcoat* Printing Paper is famous.

2 **Ives Process** is a method of producing and printing 3-color halftone plates. For glowing reproduction of beautiful process plates, lustrous Levelcoat Paper is ideal. Levelcoat is a favorite medium with masters of the printing art.

3 **Split Fountain Printing** is a way of printing two or more colors with one impression. Every press impression achieves fine effectiveness when printing is done with clean, rich Levelcoat Paper.

4 **Luster** is the property which makes paper reflect light, gives it a soft glow. And luster is one of the distinguishing qualities of Levelcoat.

FREE! Intriguing quiz book with 24 more questions to test your word knowledge of paper and printing. Write for your copy today.

Levelcoat*

PRINTING PAPERS

If our distributors cannot supply your immediate needs, we solicit your patience. There will be ample Levelcoat Printing Papers for your requirements when our plans for increased production can be realized.



KIMBERLY-CLARK CORPORATION
NEENAH, WISCONSIN *TRADEMARK



For one truck tire: take 16 miles of rayon cord . . .

A typical example of B. F. Goodrich development in rubber

THE backbone of every truck tire is the cord fabric. That's what takes the wallops. It's when the cords begin to pop that a blow-out is in the making.

Ordinary tire fabric is woven with small threads criss-crossing the cords. With this process the cords cannot be absolutely straight and parallel. Cords which are too tight carry more than their share of the load, often break.

B.F. Goodrich engineers developed a method for making rayon cord fabric without any cross threads! Each cord as it comes from the spool is kept

under even tension, evenly spaced with as many as 36 cords to the inch. They are then dipped in adhesive and covered with rubber which holds them permanently in place. Cords can't touch each other. And because of a special tension regulating device there are no loose cords, no tight cords. All are under the same tension.

In just one 10.00-20 truck tire there are 16 miles of this rayon cord — cord carefully controlled as to stretch, moisture content, and tension.

The use of this rayon cord, without

cross threads, and with controlled tension, results in truck tires of uniform strength; tires less susceptible to bruises, blow-outs, and cracking. Tire mileage is increased.

It's a typical development of B. F. Goodrich continuing research — research that improves tires for every purpose. *The B.F. Goodrich Company, Akron, Ohio.*

Truck Tires **BY**
B.F. Goodrich



HOW ANOTHER SMALL BUSINESS TOOK ROOT IN ALUMINUM



ITS BUSINESS IS *Picking up!*

"There's too much grunt and groan in the logging business," thought James R. Clark, president of Rite Equipment, Inc., Mobile, Alabama. "Other big industries are highly mechanized. Why not ours?"

So, being a true "imagineer", he sparked the idea of a pulpwood loader that would get more logs from the woods to the mills faster, easier, cheaper.

To be efficient, the loader had to be light . . . maneuverable. It had to be strong, also, to take the load and bumping of heavy logs. Making it of aluminum seemed to be the answer.

But—Mr. Clark had had little experience with aluminum. What forms of aluminum should he use? What alloys? What

tempers? These were puzzling problems.

The plans were put before Alcoa engineers. The problems were solved. The first loader was built and successfully tested in November, 1945. Displayed in January, 1946, orders for the loader came rolling in. Business began "picking up".

This is another example of how hundreds of businesses, large and small, have been helped by Alcoa's 58 years of experience working side by side with the makers of all kinds of aluminum products.

Maybe *you* have a product whose sales need "picking up". Maybe we can help *you* make it better at lower cost. ALUMINUM COMPANY OF AMERICA, 2125 Gulf Building, Pittsburgh 19, Pa. Sales offices in 53 cities.

ALCOA

FIRST IN ALUMINUM





Motor transportation makes it possible for thousands of communities to grow in remote sections of the country. Built along the nation's highways, they depend entirely upon trucks, buses, automobiles and airplanes to maintain physical contact with the rest of the world.

Towns are built on gasoline

OVER FIFTY-FOUR thousand communities in the United States are entirely dependent on gasoline transportation—and there is not a town anywhere which does not depend upon it to some degree. And it would be hard to find a man, woman or child—or a business or an industry—that does not benefit each time the cost of automotive transportation is reduced.

During the past twenty years such reductions have been many. For one thing, gasoline costs less today than it did in 1926. And by producing increasingly better gasoline over the years, through improved refining methods and the use of Ethyl antiknock fluid, refiners have paved the way for the development of more powerful engines that provide better transportation at lower cost.

If tomorrow's cars, trucks and buses are to be even more efficient than they are today, they will be made that way by designing engines that can take

advantage of the extra power available in improved gasoline. That is why, now, as in the years past, Ethyl's research and service organizations are working in close cooperation both with oil companies who use our product and with automotive companies who strive to keep engine design in pace with gasoline progress. Ethyl Corporation, Chrysler Building, New York 17, N. Y.

*More power from every gallon
of gasoline through*

ETHYL



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Bring Your Sales Problems to Us!

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MARKET
PRODUCT

2. SELLING

ORGANIZATION
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The World's Finest Business Engineering

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PUBLISHED BY

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VOL. 34

OCTOBER, 1946

NO. 10

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Triple Package Appeal



For containers that combine beauty, utility, and economy, the packaging industry turns to Hercules Land for a wide variety of basic materials.

Hercules does not make plastics or molding powder. However, many plastic products—from sturdy tool cases to dainty cosmetic containers—are based on Hercules cellulose acetate, ethyl cellulose, and nitrocellulose because of the inherent strength and unlimited colorability of the cellulose. Featherweight, transparent boxes are fabricated from cellulose acetate sheets. Metal parts are protected against corrosion by dipping in ethyl cellulose solutions. Even paper, paperboard, lacquers, and printing inks utilize Hercules products.

If you make or specify packaging materials, it will pay you to know more about Hercules. Send for the 40-page book, "Hercules Products."

HERCULES POWDER COMPANY

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HERCULES



CHEMICAL MATERIALS
FOR INDUSTRY



THIS NEW INTERNATIONAL GETS THERE FASTER WITH MORE

Here's new cruising speed for American truck transport—new highway speed and new maintained speed over the hills—maintained speed that earns greater profit per ton mile.

It's the new International KR-12, a heavy-duty highway truck-tractor driven by a larger, more powerful, war-proved engine—586 cubic-inch piston displacement.

It delivers new standards of maintained speed in hilly country because its high ratio of horsepower to gross weight makes possible almost constant use of high speed gears. Nor does engine torque drop off suddenly to cut road speed. Instead, 450 pounds-feet of torque are maintained from 900 to 1600 engine revolutions per minute.

It is equipped with special heavy-duty axles and transmissions to handle its added power.

It operates with almost passenger car ease, despite its 28,500 pound gross vehicle weight rating.

This speed-merchant of the hills and highways is the latest addition to the *complete* International line—everything for highway and off-highway work from half-ton pickups to off-

highway haulers with gross vehicle weight ratings up to 45 tons.

The new KR-12 represents more than 40 years' truck manufacturing experience. It shares this outstanding International record—more heavy-duty International Trucks purchased for commerce and industry in the last 15 years than any other make.

It is backed by the truck industry's outstanding service facilities—service supplied by International Truck Dealers everywhere and by a network of International Branches that form the nation's largest company-owned truck-service organization.


It's an International Truck, this KR-12, packed with all the name, International, means, and with maintained hill and highway speed that cuts travel time and steps up operating profits.

Motor Truck Division

INTERNATIONAL HARVESTER COMPANY
180 North Michigan Avenue

Chicago 1, Illinois



INTERNATIONAL  **TRUCKS**

Tune in "Harvest of Stars" every Sunday, NBC Network. See newspapers for time and station.

About Our Authors

Edward S. Cowdrick: an independent consultant in industrial relations for the past ten years, forecasts labor's prospects for 1947 (page 37). Almost up to the time of his graduation from the University of Kansas he had expected to study law. However, a job as reporter on a small town daily during a vacation in his senior year so fascinated him he chose this work for a profession. Later, he joined the Colorado Fuel and Iron Co. to do public relations work. Becoming interested in industrial relations, he gradually moved over into that field.

Mr. Cowdrick has written two books, "Industrial History of the United States" and "Manpower in Industry."

William L. Clayton: under secretary of state for economic affairs, left his post as head of Anderson, Clayton & Co., the world's largest cotton firm, to become raw materials adviser to the Latin American Division of the Defense Commission and deputy administrator in the Federal Loan Agency. This was in the fall of 1940. Since then he has headed the Airlines Credit Corp., been assistant secretary of commerce, administered surplus war property and been appointed to his present job which President Truman created for him last August.

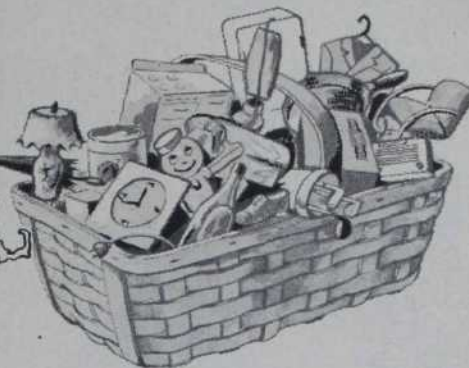
A. Wyn Williams: author of Great Britain's Vicious Circle (page 50) is that rather rare object, a Welsh-speaking Welshman. Cut out for a professor of Greek and Latin, service in World War I turned his mind from teaching. Joining the New York office of the *Manchester Guardian* in 1919, he served as the correspondent of its international financial and commercial edition, *The Manchester Guardian Commercial*, and as that publication's general American representative until last July, when he decided to devote himself to free-lance writing.

The Cover: depicts a typical scene in the industry which has popularized the mass production technique.

Though Eli Whitney used mass methods in 1798 to manufacture firearms, it was not until the birth of the automotive industry 50 years ago that the technique became general. The highly competitive nature of this industry, which has pioneered modern manufacturing methods, has resulted in the production of cars and trucks built to run more than 100,000 miles. But, due to constant improvement in models, few are called upon to do so.

The cover painting by E. Franklin Wittmack shows an engineer studying a copy of the blueprints used in the assembly of the car pictured.

\$15 BILLION MARKET BASKET



within overnight trucking
distance from any part of
NEW JERSEY

OVER 24 MILLION PEOPLE with a 15 billion dollar annual market basket live within 250 miles of any part of the State. Sales management recognizes the tremendous wealth of buying power concentrated on the Eastern Seaboard. A New Jersey plant or warehouse location will put you closest to the most people with the most money to spend.

NEW JERSEY, linked with Metropolitan New York on the northeast and with Philadelphia on the southwest, is the heart of a retail trading zone of 16 million people who draw heavily on the products of its industries and its channels of distribution. This is a high-income market equal to the combined trading areas of Chicago, Los Angeles, Detroit, Boston, Cleveland and Milwaukee.

A 500-MILE RADIUS will encompass or intersect 19 states and the District of Columbia, including the entire New England market—a total of 68 million people who last year accounted for 49% of nation's \$74,646,000,000 retail sales.

NEW JERSEY is the corridor to America's premier market—the hub of the Atlantic Seaboard—the

artery of North-South-West transportation—the tidewater gateway to exports and imports. A mighty network of railroad tracks, deep-sea waterways, ocean harbors, terminals and warehouses, airports and modern highways contribute to the greatest concentration of transportation facilities to be found anywhere in the world.

IN YOUR MARKETING PLANS for tomorrow, consider the strategic advantages of a New Jersey location and the many small, uncrowded communities that provide ample areas for decentralization.

- NO individual or corporation state income tax
- NO state sales tax.

WRITE FOR YOUR FREE COPY. "New Jersey—Mighty Atom of Industry" is factual. It will help you evaluate the advantages of a New Jersey location based on graphic comparisons with New York, Pennsylvania, Massachusetts and Connecticut—the "Industrial Big Five" of the Atlantic Seaboard.



NEW JERSEY

MIGHTY ATOM OF INDUSTRY



New Jersey Council, Department of Economic Development, K10, State House, Trenton, N. J.



● Ideas and more ideas—over 150 of them in each issue of Household. Ideas on clothing, housing, child care...ideas on every subject important to more than 2,000,000 families in America's *big* (it accounts for 66% of all non-farm single family dwellings) small city and town *home* market.

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Yes, if it's America's small city and town market you want to sell... Household is your magazine.

HOUSEHOLD

A MAGAZINE OF ACTION *Streamlined*
FOR SMALL CITIES AND TOWNS
CAPPER PUBLICATIONS, INC.

NB Notebook

Trade chances

A DATE comes up this month that can mean much for permanent peace in the world even if political affairs are still muddled. On October 15, 19 countries have been invited to send delegates to London to complete plans for the projected world-wide International Conference on Trade and Employment.

This conference is scheduled for next summer to resolve international trade problems by multi-lateral trade agreements. The aims are reduction and elimination of tariff barriers, preferential exchanges, cartel pacts and other restrictions upon free international commerce.

The United States was the prime mover in this effort looking toward promoting the expansion of production, exchange and the consumption of goods. The trade sessions this month may have to mark time on political decisions. On the other hand they may open up possibilities which will sway diplomats and politicians.

Business chances that mean more jobs and more goods have a way of impressing electorates in all lands—and politicians are not deaf.

Advertising job

SOME top-flight advertising experts are busy these days on a new job—preparing copy and campaigns designed to sell business to the American public. Three organizations are spearheading this drive, each with its own method.

The Chamber of Commerce of the U. S. is seeking a definite part of advertising budgets for copy designed to encourage the people to understand and appreciate the American way of life. The Association of National Advertisers wants its members to sell business itself as well as the product in their ad-

vertising. The Advertising Council, comprising advertisers, agencies and media, is moving forward on its indirect approach of public service advertising—what helps the public helps business.

What the ANA found out was that people like the goods that corporations produce much better than they like the corporations. What the Advertising Council discovered in the war, when more than \$1,000,000,000 in space and time was used for war-theme advertising, was that such advertising paid out not only in good will but in actual product recognition.

Council copy ought to be hitting the printed page about now or shortly on the three campaigns of atomic energy, United America (interfaith understanding) and world trade. Its "Stop Accidents" campaign saved many a life at home this year, and its famine emergency appeals many a starving foreigner.

Retail trend

DURING the war and reconversion periods it was to be expected that a sellers' market would find even Mr. Big Merchant doing a bit of bowing and scraping to his suppliers. There are some merchandising authorities, however, who believe that this was no temporary phenomenon but marked a definite development toward putting the seller on a more even plane with the buyer.

This equality comes about, it is argued, because sellers have been getting bigger and mass distribution more competitive. The buyer, therefore, becomes less dominant and must cultivate his supply sources. That is what a number of large department stores, for example, are now doing through efforts to improve vendor relations.

Observers hint that the time will come when big stores will no longer be scouring the markets for bar-

gain prices but steadily promoting sound merchandise values produced by supply groups which have been carefully selected as resources whose products yield the best selling results. To bolster this forecast, it is pointed out that national brands now get a much better play in stores where they were formerly used principally as price footfalls.

Atomic plants near

TECHNICAL rather than economic problems must be solved before the atomic power plant of the future is practical, according to a survey made for the Westinghouse Electric Corporation by Dr. J. A. Hutcheson, associate director of the research laboratories, and C. F. Wagner, manager of the central station engineering department. These scientists investigated the relative costs of electric power produced by atomic energy and power produced in coal-fired plants.

They found out that the day when electricity can be produced by atomic energy instead of coal at slightly less cost is "much closer at hand than most people think." Their calculations included amortization of the investment in each case at the rate of 15 per cent a year. Assuming that the atomic fuel costs \$20 a pound, it was figured out that the total cost of the generation of electric power in the atomic power plant appeared to be slightly less than in the case of the coal-fired plant with coal at \$5 a ton.

Chief difficulty, the experts explained, is the need for special shielding equipment to prevent injury from "very intensive and dangerous radiation."

This was the kind of radiation that made the ships "hot ships" at Bikini.

Faulty arguments

IN A PROPER eagerness to advance the cause of government economy and a balanced budget, some business spokesmen produce arguments which may not do their cause much good with the general public. For example, in a recent radio network debate one high official of a leading industrial organization referred to government spending this way:

"How high is \$41,000,000,000? Well, it's just 25 cents out of each income dollar produced by the nation's work. It means a charge of \$900 against the income of each family of four. I leave it to you

Would you believe it...



he's loading a freight car

Solving loading problems on the drawing board is one of the ways Erie helps shippers plan safe transportation for their products.

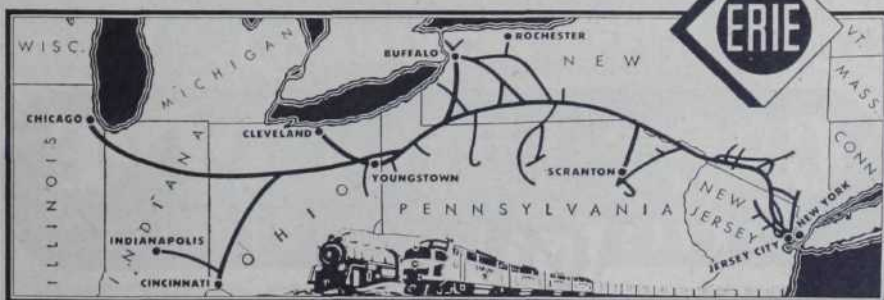
On particularly difficult loads, Erie experts design packing, blocking and bracing methods to solve the problem.

The Erie has analyzed hundreds of loading problems . . . made suggestions which have prevented damage . . . saved time and money for shippers.

This and other Erie services to assure safe, dependable freight transportation are available to you through any Erie Representative.

Erie Railroad

Serving the Heart of Industrial America






"Pouring the joint"

QUIZ: When NATION'S BUSINESS readers see pipe being installed for water mains in their community, how can they know it is cast iron pipe that serves for centuries?

ANSWER: By the "Q-Check" mark stencilled on every length of cast iron pipe made by a member of the Cast Iron Pipe Research Association. The "Q-Check" is more than a mark of identification. It is a symbol of quality. It distinguishes a product which contributes to public welfare and economy by its ability to serve for centuries. More than 90 per cent of cast iron pressure pipe production is used in the public service. Cast Iron Pipe Research Association, T. F. Wolfe, Engineer, 122 S. Michigan Avenue, Chicago 3, Illinois.

CAST IRON PIPE

SERVES  FOR CENTURIES

LOOK FOR THIS MARK

IT IDENTIFIES CAST IRON PIPE

whether the service rendered is worth that price."

Thousands of his radio listeners may have accepted this version of government spending but thousands of others were aware that this arithmetic lumped together both current and past services, including the winning of two world wars and their huge charges. Since the people who know these things are often the people who guide public opinion, the standing of this industrialist and his association was not served too well by such exaggeration.

Economics in easy lessons ought to include a chapter on the danger in promulgating half truths. They frequently generate public suspicion and do ill service to a just cause.

Idea mine

MANUFACTURERS, big and small, are well aware of the many new materials and processes that jumped into use almost overnight during the war. Yet they will realize, too, that only a small fraction of these developments came to their attention. Hidden in the vast archives of war research in this country may be the solution of a problem on which many a producer is struggling.

This gold mine of technical and scientific information is staked out by a weekly publication issued by the U. S. Department of Commerce, Office of Technical Services, and titled "Bibliography of Scientific and Industrial Reports."

The Bibliography contains the listing of our own war secrets as well as reports on investigations of science and industry in enemy countries and research reports obtained by exchange with cooperating foreign governments. The weekly gives a careful abstract of the report under title and source headings, and notes the price of the full document for photo copies. Some 32,000 items had been listed up to early August.

The subscription price from the Superintendent of Documents, U. S. Government Printing Office, Washington 25, D. C., is \$10 a year—and \$10 seems a small sum to pay for finding information that may pay dividends of many thousands.

A good word

THE promotion manager of a paper company in a letter to his association suggests that the power of good example might have some influence among labor unions. Why

not a "pat on the back" for the union that adopts a progressive policy, he asks. It might well induce others to follow suit, especially if the good deed was advertised.

Another question he poses: "It is odd that management, which has recognized the necessity for advertising in selling its products, does not recognize the power of the same medium in promoting a sounder foundation for industrial unity."

Oil question

EVEN though atomic power may lie "right around the corner" it is evident that oil and oil politics are taking no background seat. Is oil running short or not? The Sun Oil Company doesn't think so and objects to international agreements on oil and to proposals for military reserves here.

Sun Oil recalls that a government expert told the Senate in 1916 that the country's supply could only meet demands for another five to ten years. In 1919, the Government's chief geologist predicted oil exhaustion in 14 to 16 years.

Two wars and a tremendous expansion in oil-driven transport have made these forecasts look silly, of course. The last war naturally reduced exploration but at the end of 1945, Sun Oil points out, estimated proved reserves were almost 2,500,000,000 barrels more than at the close of 1939. Backing up these reserves are the tremendous possibilities in oil shale and the production of synthetic liquid from natural gas, coal and lignite.

Toaster trouble

WITH millions of electrical appliances now coming off assembly lines, manufacturers are redoubling their efforts to see that their products get enough "juice" to perform satisfactorily. Tests made by technicians have shown that electrical efficiency can be stepped up from 20 to 34 per cent through the use of "adequate wiring."

If a roaster fails the housewife and if the toaster takes forever to brown a piece of bread, it usually isn't the fault of the appliance, manufacturers say. The trouble comes from having the electricity supplied by a wire that is too small. Research has revealed that a ten per cent voltage loss which results from taxing wire beyond its capacity will reduce the radiation from a heater by 20 per cent and cut the illumination from a lamp near the end of a circuit by 34 per cent.

A quick source of MORE WORKING CAPITAL



COULD YOU MAKE MORE PROFIT IF YOUR
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SEND FOR OUR NEW BOOK, "A BETTER
WAY TO FINANCE YOUR BUSINESS."
LEARN HOW LITTLE MONEY COSTS, HOW
MUCH MORE YOU CAN GET AND HOW LONG
YOU CAN USE IT UNDER OUR LIBERAL
LOW-COST COMMERCIAL FINANCING PLAN

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FINANCING OFFICES IN PRINCIPAL CITIES OF THE UNITED STATES AND CANADA

SERVING THREE GREAT GROUPS OF PEOPLE

From statement by Walter S. Gifford, President, American Telephone
and Telegraph Company, at 1946 Annual Meeting of stockholders

"It is not without significance that our Annual Report opens with the statement that 'The Board of Directors of the American Telephone and Telegraph Company presents herewith the management's accounting of its stewardship for the information of stockholders, employees, telephone users and the entire American people who have entrusted to private enterprise the responsibility for carrying on this essential national service.'

"There is every reason for the management of your company to treat equitably each of the three parties concerned, namely, the telephone users, the employees and the stockholders. For in the long run, the interests of these three great groups of people, individually and collectively, are mutual and interdependent.

"More and better service at the least cost is as much in the interests of stockholders and employees as it is of the telephone users.

"Well-paid employees with steady employment; with opportunities open to all for advancement; and with reasonable protection against contingencies of illness, accident, death and old age are as much to the benefit of telephone users and stockholders as to employees.

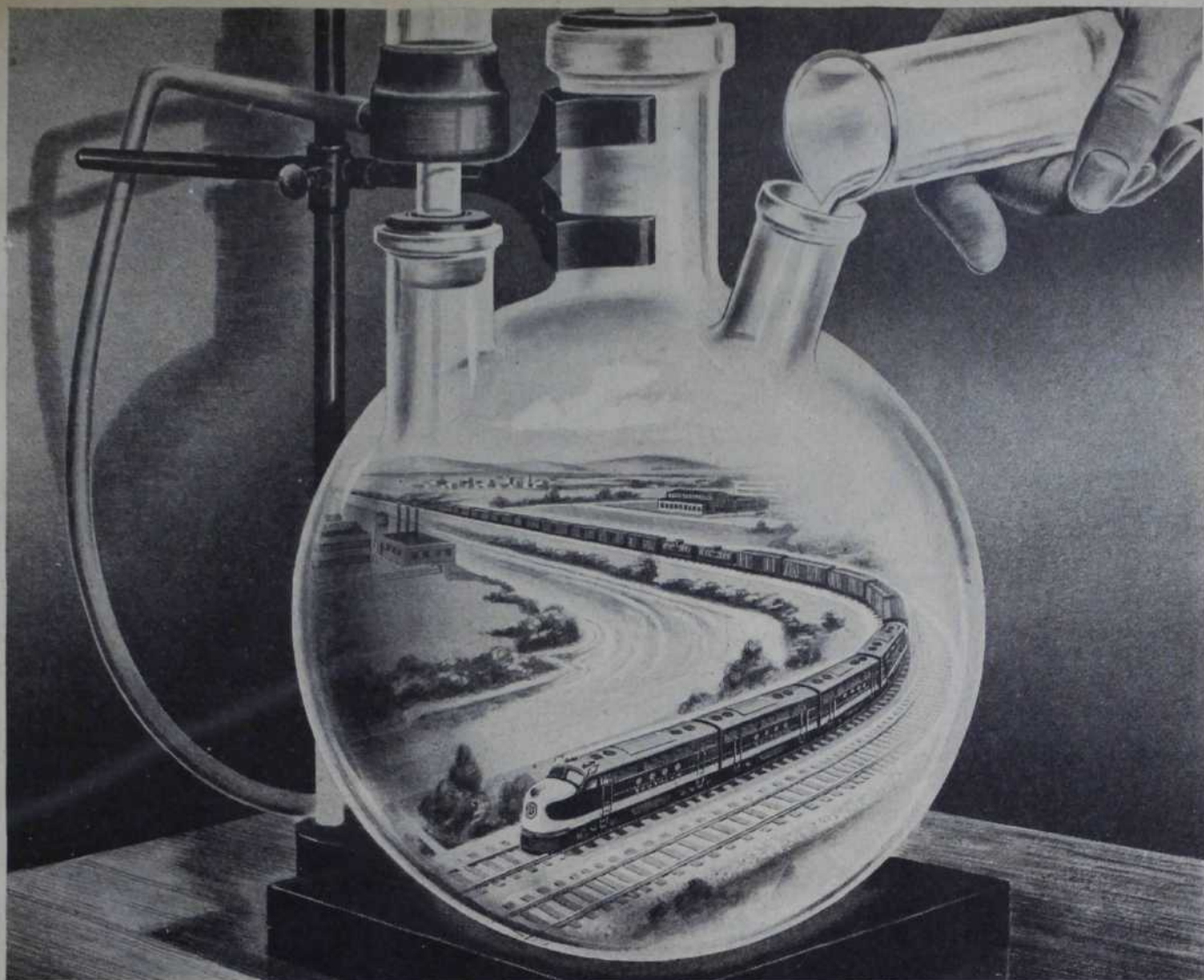
"A stable and fair return on the money invested in the business—sufficient to attract the new money needed to develop and expand facilities—is as good for the telephone users and employees as it is for the stockholders."



WALTER S. GIFFORD

BELL TELEPHONE SYSTEM





Formula for Industrial Success

Here's a formula it will pay you to examine.

It will open the door to exciting new opportunities for your industry.

And it's a proved formula. Already, thousands of industries of all kinds . . . old and new . . . have used it with great success. Go up and down the 8,000-mile Southern Railway System that "Serves the South" and you'll see this formula for success hard at work. You'll see industries prospering, expanding, facing the future with confidence, and making mighty plans.

Soon these thriving industries will be joined by a host of others. That's because farsighted industrialists everywhere are examining the formula . . . discovering the opportunities it offers . . . and realizing the potent power it has for greater growth and prosperity.

What is this magic formula? It can be expressed in just four words . . . "Look Ahead—Look South!"

Ernest E. Harris
President



SOUTHERN RAILWAY SYSTEM

The Southern Serves the South



National Fire Prevention Week, October 6 to 12

THIS year, Fire Prevention Week has greater importance for everyone. Fires are more frequent—housing is scarcer and more costly. Should your home and possessions be destroyed, your loss would be more tragic because the cost of replacement might be as much as 60% higher at *today's increased values*.

To free yourself from worry, be sure, first of all, that you're taking every possible precaution against fire hazards throughout your home. Then let your Hardware Mutuals representative show you the soundest, most economical way to adjust your fire and extended coverage insurance in line with today's full insurable values. You'll find the benefits of Hardware Mutuals *policy back of the policy* particularly timely.

Each year since organization, these benefits have included substantial dividend savings,

enabling thousands to purchase increased coverage in fire and other lines of Hardware Mutuals insurance. The total dividend savings returned to policyholders now exceed \$100,000,000.00.

Other advantages of the *policy back of the policy* include prompt, fair claim settlements, and expert nationwide service. Licensed in every state—offices coast to coast.

Automobile, Workmen's Compensation and other forms of non-assessable Casualty and Fire Insurance

Hardware Mutuals

FEDERATED HARDWARE MUTUALS

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Mutual Implement and Hardware Insurance Company, Home Office, Owatonna, Minnesota*

HARDWARE MUTUAL CASUALTY COMPANY

Home Office, Stevens Point, Wisconsin



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The Rubber "Glove"

that catches 100 tons a minute!

THIS giant coal loader, operated by the Lower Lake Dock Company of Sandusky, Ohio, was designed to pick up a 100-ton car of coal and pour it into a collier within 60 seconds. To protect both coal and ships from the smashing impact of these heavy loads, a retarder or swinging gate of heavy steel was installed in the chute, checking the rush of coal and controlling its flow.

But the continuous impact and abrasion quickly wore out the heaviest steel. Other methods of protecting the retarder were tried, but none lasted more than *three months!* Finally upon recommendation of the G.T.M. — Goodyear Technical Man — the retarder was fitted with a heavy "glove" of Armadillo Chute Lining, made from a super-tough rubber compounded by Goodyear for handling the most abrasive ores met in mining operations.

That was back in 1939. It was two years before a single section, at the point of greatest impact, required replacement — after catching more than 12 million tons of coal — after giving 34 times longer service than

any other form of protection! And some of the original installation is still in service today. Not only has the Armadillo Lining saved the retarder from destructive wear, but it has aided materially in protecting coal from breakage.

Armadillo Chute Lining is just one

of many special-purpose rubbers developed by Goodyear for meeting extraordinary problems in abrasion and corrosion. To consult the G.T.M. on your special materials handling problem, write Goodyear, Akron 16, Ohio or Los Angeles 54, California.

GOODYEAR INDUSTRIAL RUBBER PRODUCTS

G.T.M. -Specified ARMADILLO RUBBER LINING
for Gifford Retarder

Lower Lake Dock Company,
Operators
Pennsylvania Railroad Docks
Sandusky, Ohio

**FOR HOSE, BELTING, MOLDED GOODS, PACKING
AND TANK LINING** built to the world's highest standard
of quality, phone your nearest Goodyear Industrial Rubber
Products Distributor.

Armadillo—T.M. The Goodyear T. & R. Co.

GOOD YEAR

THE GREATEST NAME IN RUBBER

MANAGEMENT'S

Washington LETTER

A last minute roundup by a staff of Washington observers of government and business

► **RISING BUSINESS** volume over next six months is the keynote of current commercial and financial forecasts despite the break in stock prices.

Both producer and distributor inventories are being rebuilt to a point approaching normal marketing.

Delay in attaining full civilian production has cleared wholesale and retail shelves of most left-over ersatz substitutes.

Federal Reserve Board finds total income payments of the nation only fractionally below 1945 peak. Now production is approaching current income.

In addition, Federal Reserve survey estimates that \$6,000,000,000 to \$8,000,000,000 of family savings will be liquidated over coming year for purchase of deferred durables and daily consumption items.

Major labor stoppages are the only real cloud on the business horizon, but responsible leaders are trying to eliminate the "professional hell-raisers."

International frictions are distracting but do not spell war. Jockeying and bickering are the essential ingredients of international negotiation.

Most commodity prices will hold firm to higher through first quarter of '47.

► **KNOWN MARKETS** for all major items of household durable goods call for at least two years of maximum production at current rates, now approaching or ahead of prewar monthly average.

Here are some waiting orders reported by OPA: 750,000 gas ranges, 850,000 kerosene stoves, 5,200,000 heating stoves (17 months' current production), plus 2,000,000 gas heaters and 2,000,000 oil stoves (21 months' production).

The same picture prevails in autos, farm machinery, furniture and household equipment.

All of these deferred wartime wants now are backed by cash.

September figures show that only within past 60 days have most durable

goods industries attained peacetime production rates.

► **SHARP DROP** in the demand for holiday gifts in top-level luxury lines is likely result of the stock market break.

Payments for traveling bags at \$2,500, jeweled trinkets at \$10,000 and similar expressions of opulence often came from profits taken on rising market.

Such profits are gone, at least in large amounts, for this season.

► **CIVILIAN PRODUCTION ADMINISTRATION** soon will launch final phase of its liquidation program.

It has only six months of legal existence left. It must bow out on March 31, when Second War Powers Act expires.

Every priority it issues for scarce items merely increases the pressure for higher priorities. There are already more housing priorities out than materials to "cash" them. The same prevails in pig-iron channeled to railroad equipment and plumbing.

If your materials priority bounces back from the supplier, that's CPA's way of telling you you're on your own.

► **FEDERAL DEFICIT** spending has been cut down to \$24,000,000 a day in current fiscal year, against \$160,000,000 daily in first quarter of previous year.

Budget Bureau plans to present a balanced budget next January, covering fiscal year ending June 30, 1948—the first since 1931.

If you have a business eye on the primary inflation barometer, watch Administration's performance in whacking down the deficit over next six months.

Lowest average level of the federal deficit in peacetime since 1933 was \$10,000,000 a day, in 1935-38.

► **FREIGHT CAR SHORTAGE** may delay your deliveries in last quarter, when seasonal peak traffic will challenge rail capacity.

Office of Defense Transportation calculates demand for 1,000,000 freight cars weekly by mid-October; but maximum unloading capacity is approximately 925,000 cars.

U.S. carriers now have about one-third fewer freight cars than in '39, but are carrying about 1,000 cars daily more freight than wartime peak of 1944.

One-third of all freight cars in service are more than 26 years old.

Railroads are primed for their big push this Fall; new rolling stock goes into service daily. But uncertainty over permanent freight rate adjustments to cover this year's wage increases hobbles

vigorous long-term development plans for most carriers.

Good policy is to allow an extra ten days or two weeks on all shipping schedules over next six months.

► **NEW PLANT** expenditures by U.S. business for third quarter, just closed, are estimated by SEC at \$3,200,000,000, almost twice the corresponding months of '45.

Totals include both construction and equipment, and swell estimated U.S. total of new investment to \$10,800,-000,000 for entire year '46.

New telephone plant to the tune of \$400,000,000 for the year is the biggest item, save manufacturing and mining, which make \$6,000,000,000 combined. Balance is by rails, air lines, gas and electric utilities, storage houses and service stations.

As production really gets rolling in volume from all this new plant, shortages of consumer hard-goods will become a memory.

► **FAR WESTERN STATES** are preparing for a boom revival of irrigation development, with about \$110,000,000 of new construction started since V-J Day, and another \$100,000,000 appropriated for new or expanded projects before June 30, '47.

This year's is the largest annual appropriation for new work in the entire history of the U.S. Bureau of Reclamation. Missouri River basin gets almost \$24,000,000 this year, and California is next with \$18,000,000 for Central Valley development and the All-American Canal.

► **NEW LOBBY REGISTRATION ACT** fixes criminal penalties for failure to report collections or activities calculated to influence legislation.

But the law itself does not carry specific definitions of activities covered. Some commercial and trade associations having representatives in Washington may be subject to registration with House or Senate, but each case must be determined on basis of activities involved.

For an authoritative legal analysis of the new law, together with a text of the registration and accounting requirements, address Henry P. Fowler, General Counsel, Chamber of Commerce of the U.S., 1615 H Street, N.W., Washington 6, D.C.

► **NEW CIO WAGE DEMANDS** are based on slogan of "parity at the highest level."

This means that, regardless of current

contracts, CIO Affiliates demand every wage increase granted AFL in same industry.

"Parity at the highest level" also means equal wages for like work in competitive plants within same industry.

New parity principle thus puts many wage contracts on a month-to-month basis—a troublesome prospect in industries which thought they had firm wage agreements for at least a year.

► **LONG TERM LEASES** on business and commercial property at today's boom rentals may prove burdensome before 1950, particularly in manufacturing or distribution lines dependent on farm prices.

To guard against pinches on drastic price declines, many renters are trying for flexible leases pegged to prewar normal, but with an annual bonus based on dollar volume above 1935-39.

► **OPA ENFORCEMENT SLEUTHS** have won permission by federal court in Chicago to examine bank accounts of a suspected black marketeer.

Court's decision ordered bank to open deposit records to OPA investigators and absolved bank officers of all responsibility for violation of hitherto confidential records.

► **CONSTRUCTION INDUSTRY** spokesmen detect a whiff of election-year politics in the growing housing muddle.

If their Capitol soundings are right, President Truman will continue to ply Expediter Wyatt with more and more authority, priority powers, material set-asides. If program flops, Wyatt will be the whipping boy and the Administration can come out from under with a dexterous shift of expeditors.

Nobody on Pennsylvania Avenue ever calls it the Truman Housing Program, but always the Wyatt Program.

A resolution of the National Association of Real Estate Boards has asked President Truman to "remove Wilson Wyatt from his position as housing expeditor immediately."

► **SEARCH** for a new statistical standard to measure labor productivity, living costs and similar data vital to industrial planning will be outlined at national conference scheduled in Labor Department October 28-29.

Solomon Fabricant of the National Bureau of Economic Research, New York, is chairman of the conference, which includes representatives from Swift, Westinghouse, CIO, AFL, Bureau of Labor Statistics and Budget Bureau.

Non-governmental agencies have been

highly critical of federal "findings" in industrial and commercial statistics.

They urge better definitions and clearer terminology in all government compilations.

► CENSUS BUREAU reports total U.S. population over 21 years of age at 91,634,472. About one-third will vote next month.

Women are a steadily increasing majority of the eligible voters, their total over 21 now being 1,171,948 more than total males. In 1944 the excess of females in these age groups was but 730,810, and in 1940, only 73,693.

In presidential years about 55 per cent of potential voters cast ballots.

► MANY FEDERAL BUREAUS continue to expand their pay rolls a year after the end of all war functions.

Most recent official figures from Civil Service Commission show Agriculture added 3,046 workers in one month; Interior 2,028; Post Office 4,500; War Assets Administration 8,539; National Housing Agency 773; Federal Security 707.

While Army and Navy reduced civilian personnel by 45,000, non-war agencies added 30,235 in one month.

Since V-J Day Labor has added 25,534, State 9,996, Interior 8,671, Treasury 8,564, and Agriculture 6,908.

► IMPORTS FROM GERMANY are encouraged by authorities in the American Zone, who have asked Commerce Department to invite bids from U.S. distributors.

Already available are chinaware, toys, radio cabinets, clocks and watches, jewelry, wines and liquors.

Arrangements can be made for business travel in Germany under military auspices at reasonable rates.

This is the first budding of American resumption of commercial relations with vanquished Germany.

Office of International Trade, Department of Commerce, Washington 25, D.C., invites applicants to communicate their needs.

► NATIONALIST CHINA gets all U.S. military surplus in the Pacific, including that on Guam, Saipan, Okinawa, and Tinian for \$55,000,000 plus final settlement of wartime lend-lease and currency exchange balances.

State Department reports original cost of China awards at about \$800,000,000.

Agreement covers everything from electric generating plants, hospitals and railroads to canned foods and first-aid kits. Movable goods left on war-

time island bases made almost 7,000,000 tons.

China is given 22 months to clear it to mainland. To aid in transport, U.S. sets up a fund of \$30,000,000 for ship charter and engineering services.

When the islands finally are cleared of surplus, thousands of GI guards will be released for home and discharge.

► UNEMPLOYMENT COMPENSATION payments will slope downward after passing a peak in the 1945-46 fiscal year, tax experts believe.

Last (fiscal) year's payments totaled \$1,091,369,000—15 times the previous year's total. For the first time payments exceeded pay roll taxes collected.

Investigators trace the peak to war-time workers who have left employment voluntarily, but consider unemployment compensation as part of the pay for their war jobs.

Temporary unemployment among the regular working force during reconversion layoffs accounts for a large part of the peak.

Pay roll tax receipts since 1938 now stand at 8.5 billions, compared with benefits paid out totaling slightly more than three billions.

► WASHINGTON BUSINESS BRIEFS: Labor Department finds 25 per cent of all workers in auto industry are veterans; percentage in all manufacturing industries is 17.4, but still increasing every month....New flying post offices, with sorting racks operating en route, soon will give same-day delivery between Pacific and Atlantic Coasts....Building survey discloses that only one out of five new dwellings is completed within four months; 60 per cent require six months; prewar average was 75 days....Army & Navy Munitions Board is perfecting a new industrial mobilization plan which will spot key production plants for quick conversion....Alien Property Custodian has set deadline at August 8, 1948, for filing claims for return of seized property; claims against seized property may be filed to December 1, 1946....Budget Bureau soon will publish a new manual of legal procedures in the Executive Branch, as required by administrative codification enacted in last session....Current political chit-chat offers Navy Secretary Forrestal as Truman's running mate in '48....Brazil is becoming seat of the world's silk empire; had 15,000,000 mulberry trees in '41, but 250,000,000 today....Bureau of Mines has resumed nationwide research program on fuel utilization, suspended by war.



How big is a "Central" location?

NOT ALL the 400 new plants that located on New York Central last year chose the great metropolitan centers this Railroad serves. Indeed, nearly half picked communities of under 25,000. For here, too, fast, efficient, dependable freight service assured them the advantages of a "central" location.

A modern freight fleet of 135,000 cars and 3,600 steam, electric and Diesel locomotives now speeds their products throughout an 11-state market with 52% of the nation's purchasing power, and links their plants with ports handling 80% of America's Atlantic Coast foreign trade. And all these New York Central locations are within economical, short-haul reach of three quarters of this country's bituminous coal and steel production, and the world's largest, most varied sources of raw and semi-processed materials.

Today, this Railroad is putting in service new high-speed merchandise cars, covered hopper cars, and other advanced types of freight equipment. For freight service is getting its full share of the \$100,000,000 program of progress that spotlights the NEW in New York Central...adding new transportation advantages to every "central" location, large or small.



For information about plant sites in this area... write or telephone Central's Industrial Representatives listed below. Their files cover a variety of available properties. And they will gladly search out special advantages needed for your "central" location.

BOSTON	South Station	A. E. CROCKER
CHICAGO	LaSalle St. Station	H. W. COFFMAN
CINCINNATI	230 East Ninth St.	G. T. SULLIVAN
CLEVELAND	Union Terminal	A. J. CROOKSHANK
DETROIT	Central Terminal	A. B. JOHNSON
PITTSBURGH	P. & L. E. Terminal	P. J. SCHWEIBINZ
NEW YORK	466 Lexington Ave.	W. R. DALLOW

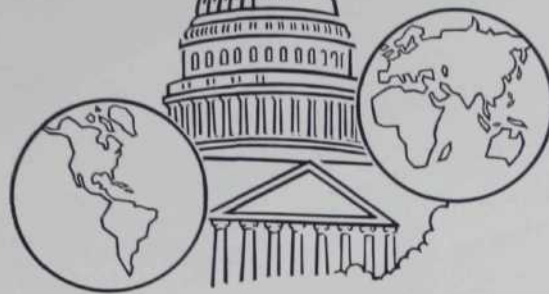
In other cities, contact our nearest Freight Agent.

NEW YORK CENTRAL

The Water Level Route



TRENDS



OF NATION'S BUSINESS

The State of the Nation

IN JULY of 1884 there was published, in the *Contemporary Review* of London, a notable article by Herbert Spencer entitled "The Great Political Superstition."

Though a prolific writer, Herbert Spencer was no mere journalist. Nothing that came from the pen of this great thinker in the fields of sociology and politics is wholly without applicability today. Much of what he wrote, primarily for Victorian England, is almost miraculously timely for Americans of 1946. That goes for "The Great Political Superstition," one of four essays in defense of individual freedom which were republished under the descriptive title of "The Man Versus the State," a book still fortunately to be found in every well-stocked library.

Political Superstitions

"The great political superstition of the past," said Mr. Spencer at the beginning of his article, "was the divine right of kings. The great political superstition of the present is the divine right of parliaments."

That assertion dates somewhat. It was made in the year of the Third Reform Act, which rounded out the extension of suffrage to give practically all adult English males the vote. Consequently there was then a widespread belief that the advent of democracy and representative government would bring permanent progress to Great Britain. Against that belief Spencer sounded a warning.

His argument was that the old tyranny of the monarch, claiming a heaven-derived supremacy,

would prove no better for Englishmen than the new tyranny of a Parliament, if the latter should claim that the support of a majority authorized it to pass laws denying individual freedom. "In the absence of admitted divine descent or appointment," wrote Spencer, "neither single-headed ruler nor many-headed ruler can produce such credentials as the claim to unlimited sovereignty implies."

Supreme Court Has Changed

Herbert Spencer was widely read in this country 60 years ago. Before me as I write is a paper-bound "popular edition" (price 30 cents) of "The Man Versus the State" published in New York in 1888. But to Americans of that decade discussions of parliamentary tyranny seemed somewhat academic. In this country, at least, the Supreme Court, with the clear wording of the Constitution back of it, could be relied upon to protect the rights of the minority from the excesses of majority rule.

Soon, however, "Mr. Dooley" was to warn us that "the Supreme Court follows the election returns." It took a good many years to justify this wisecrack of the '90's, because the political theory of the Supreme Court had always been that the will of the parliamentary majority does not necessarily coincide with the welfare of the American people. In time, however, Franklin D. Roosevelt confirmed Mr. Dooley's aphorism. The number of the "nine old men" was unchanged. But the men themselves were altered until it can no longer be said with any confidence that the



FACTORIES BORN IN A DRYDOCK ...another step in the march of welding

Yes, shipbuilders erected this plant; did you ever see its equal? Great areas of clear, unobstructed floor space... no clutter of braces... a plant designed for function alone. If you haven't seen such a plant, you will—the all-welded factory is here to stay!

It comes naturally as the result of structural steel men engaging in wartime ship construction. For today there are far more steel workers trained in welding than in riveted fabrication. They saw what arc welding can do... how sharply it cuts costs both in materials and methods. And what applies to ships, reasoned designers, applies to plants as well. Hence the "factories born in drydock."

Today P&H stands ready to furnish both the tools and the experience for all kinds of structural welding. Because P&H long ago foresaw this trend, worked

toward it, P&H advanced the use of all-welded factory cranes, and the years have seen a constant flow of P&H electrodes designed solely for steel fabrication. Developed and used right in the P&H plant. To all who call on P&H, this user-maker experience is freely offered as part of "America's most complete arc welding service."

AC & DC ELECTRODES • AC & DC MACHINES
WELDING POSITIONERS • ELECTRIC HOISTS
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Supreme Court stands as a bulwark of individual freedom.

Meantime, believers in the "divine right" of one organized group to oppress their fellows have become more bold. First the Communists, then the Fascists, then the Nazis established the principle that a minority party can with propriety seize the reins of government, dispense with parliaments altogether and rule through a dictator on exactly the same principle of "might makes right" that characterized primitive tyrants. If Herbert Spencer was correct in fearing the dictatorship of a parliamentary majority, his argument is certainly even more effective as addressed to the tyranny of an unrepresentative minority, now practiced over the vast area controlled or deeply influenced by the Marxist doctrines of the Soviet Union.

Human Rights Above Government

Intelligent Americans, re-reading "The Great Political Superstition" today, will find it difficult to prove that Spencer was incorrect in asserting that there are human rights which cannot be denied by government without bringing disaster to human society. This English philosopher proves his case historically, showing that political government was everywhere developed to reinforce and stabilize self-government established through custom in primitive societies. But Spencer also proves his case biologically, pointing out that:

"If you shut up a mammal in a small space, or tie its limbs together, or take from it the food it has procured, you eventually by persistence in one or other of these courses, cause its death. Passing a certain point, hindrance to the fulfillment of these requirements is fatal. And all of this, which holds of the higher animals at large, of course holds of man."

Translated into terms of politics this means simply that, beyond a certain point, government serves to circumscribe men in a manner which is at best injurious, and could at worst become fatal, to the species as a whole. A prison is established which is no less injurious to the biological need for freedom because its walls and barriers are not built of steel and stone. And the fact that this corrective prison is meant to provide "security" for its inmates is a small point in its favor. The caged lion, pathetically pacing his narrow cell, has seemingly complete security. But he is dying of imprisonment just the same. In Spencer's words again:

"We do not see that by accumulated small infractions of them, the vital conditions of life, individual and social, come to be so imperfectly fulfilled that the life decays."

The great contribution of Americans to civiliza-

tion is that, more than any other people, they have realized the deep and binding connection between "life, liberty and the pursuit of happiness." As a people we have not only realized that these qualities are fundamentally inseparable, but we—or our forebears—had the courage, as well as the insight, to establish an independent nation dedicated to their development.

And the very foundation of that nation is the conviction that government must be restrained in the interests of the individual; that the state is created to serve man and that man is not born to serve the state.

This fundamental American conviction is giving way to belief that the state owes man a living. If so, then in return man owes the state his life. And if the citizen is thus in pawn, either obviously as a conscript or subtly through vitiating taxation, he is not free. He is not citizen, but subject.

In his current book entitled "Arsenal of Democracy" Donald Nelson observes that: "Our whole economic and social system will be in peril if it is controlled by the military men."

That is of course true, as far as it goes, but the observation of the former chairman of the War Production Board is only a half-truth. Actually our whole economic and social system will be imperilled if it is rigidly controlled by any single group, military or civilian, brass hats or bureaucrats, beribboned generals or idealistic welfare workers.

As Herbert Spencer so clearly explained, it is not the character of the controllers; it is the fact of control which is important.

The Voters Will Decide

We are now just a month from one of the recurring elections established by the founders of this Republic so that those who came after could periodically review its purposes; clean house and, whenever necessary, "throw the rascals out." Often, to the elector, the choice between parties or individuals may seem to lie between Tweedledum and Tweedledee. But always there are some who stand more clearly for the extension of governmental authority; others who are more interested in restricting that authority.

To the voter of independent mind, the label of parties is not important. What is important to the citizen is that the issue between men and the state should continue to be one over which there is political cleavage. If that issue fades, totalitarianism is triumphant.

FELIX MORLEY





“How does what we are doing compare with what we could do?”

A department head in a large organization was asked if he could reduce costs. He answered: “If you ask whether we are doing the best we can with what we have, the answer is ‘Yes’. If you ask whether we are doing the best we *could*, the answer is ‘No’.” Given certain equipment that he needed, this man knew that he *could* reduce costs, increase efficiency, get more information, improve overall results.

Many a man, responsible for accounting procedure is in that same position. With the right equipment he could reduce costs considerably . . . for example, the same type of National figure-control machines that permitted one medium-sized manufacturer to get his payroll out 9 days earlier, and much more economically. Or let him have a complete report of yesterday’s production on his desk on time each day. And saved him over \$40,000 on his yearly accounting costs. All this, and a lot more, might be yours . . . if you had the right National figure-control equipment!

For manufacturers, banks, hotels, retailers, transportation companies, and many others, National Accounting Machines have opened the way to important savings and

greatly improved overall results. They tighten up accounting operations and handle the work with a minimum of error and a maximum of efficiency.

And, in the field of retailing, from the smallest to the largest store, National Cash Registers are the accepted means of recording transactions and controlling operations.

Let a National representative examine your needs and make recommendations without obligation to you. The National Cash Register Company, Dayton 9, Ohio. Offices in principal cities.

National

CASH REGISTERS • ADDING MACHINES
ACCOUNTING-BOOKKEEPING MACHINES

Making business easier for
the American businessman

The Month's Business Highlights

THIS remarkable nation is winding up 1946 in a surge of activity that eclipses any prior peacetime accomplishment. Total output of goods and services is around the war peak. National income is greater than at any time during the war.



There are two "ifs" in the situation. Work stoppages could prevent attainment of what is within our grasp. Insufficiency of transportation may be a bottleneck that would slow down the flow of production.

With regard to the first "if," it is recognized that the labor situation is highly unstable. There has been a reminder in stock market behavior that labor and management both must be planning now for the situation that will develop as soon as consumer demand begins to subside.

Despite all the dire predictions, prices are not running away. There has been no frantic buying. Price increases are tending to level off far below the 50 per cent rise predicted by those who fought for the unconditional extension of the price control act. A chastened OPA has emerged. It is trying to be realistic. It has become flexible.

Pro-control forces really lost their fight but the Government retained enough control to impress the consumer with its interest in his welfare. Extension of the price control act unquestionably had a restraining influence on labor union policy with regard to wage increases.

Facing a Hard Job

A seemingly impossible task was given the Price Decontrol Board. It took the assignment in its stride, did the best it could under the circumstances, and earned unexpected prestige. The effective way in which this board has functioned in a highly controversial situation is in sharp contrast with the record of the War Labor Board and other tripartite bodies. Its accomplishments further discredit tribunals on which contending factions are represented.

One of the reasons for the success of the Decontrol Board is that ample facts and figures are available concerning agricultural products. Had their findings been in the field of manufactured goods, where appropriations for figures are harder to obtain, it would have been much more difficult to determine the extent to which supply and demand are out of balance.

Most of the experts are confident the trend in commodity prices will continue upward for another six months with the curve flattening more and more as supplies increase.

Business and industry have discovered that it takes much longer than had been realized to fill pipelines between producers and consumers. Production has been high for months but it does not seem to be emerging at the same rate it is fed into the pipeline. In some instances this is due to the

stocking of new production until inferior goods made in an earlier period can be moved. On the whole, however, the conclusion has been reached that the amount of goods necessary to fill pipelines has been badly underestimated in the past.

Little Credit to Liquidate

Fluctuations of the stock market have created enough uncertainty to dampen inflationary trends. There has been little change, however, in the fundamentals that make for inflation.

It was unique to have an abrupt decline in stock prices when there was little credit to liquidate. Had large credits been involved, repercussions would have been wide and the pressure of liquidation greater.

Profiteers seem to be somewhat confounded, particularly those who had gambled on a wild rise in prices.

The depressing effect of uncertainties in the foreign situation is being felt to an extent greater than appears on the surface. Industries closest to armament have been alerted.

Manufacturers of machinery and heavy equipment, who had been relying on the Russian market, no longer are looking in that direction.

Russia has gone so far as to place orders with American firms conditioned upon the receipt of an American loan. The firms receiving those orders, as well as manufacturers generally, understand there now would be no chance to obtain consideration of any advance of government funds to Russia.

Russian leaders think the American people would be with them if they were not influenced by big capitalists. American business men interested in trade with Russia have tried to persuade members of the Soviet Purchasing Commission to explain to their Government that the American people are more than willing for Russia to have any form of internal government it wants. If the Russian leaders could be convinced of that fact much of the present lack of understanding would disappear, it is believed.

The stalwarts of the Soviet, many feel, are honestly of the opinion, and have led the people of Russia to believe, that the countries with the

The Company that bought a YCILOP!

by Mr. Friendly

Any accident looking for a place to happen, always chose the Winkle Works!

Life was nothing but accidents and low production, when Mr. Friendly suggested a Ycilop. "A what?" said Mr. Winkle, the president.

"A Ycilop," said Mr. Friendly. "It's a part watch dog, part guardian angel, with a mixture of cash register!"

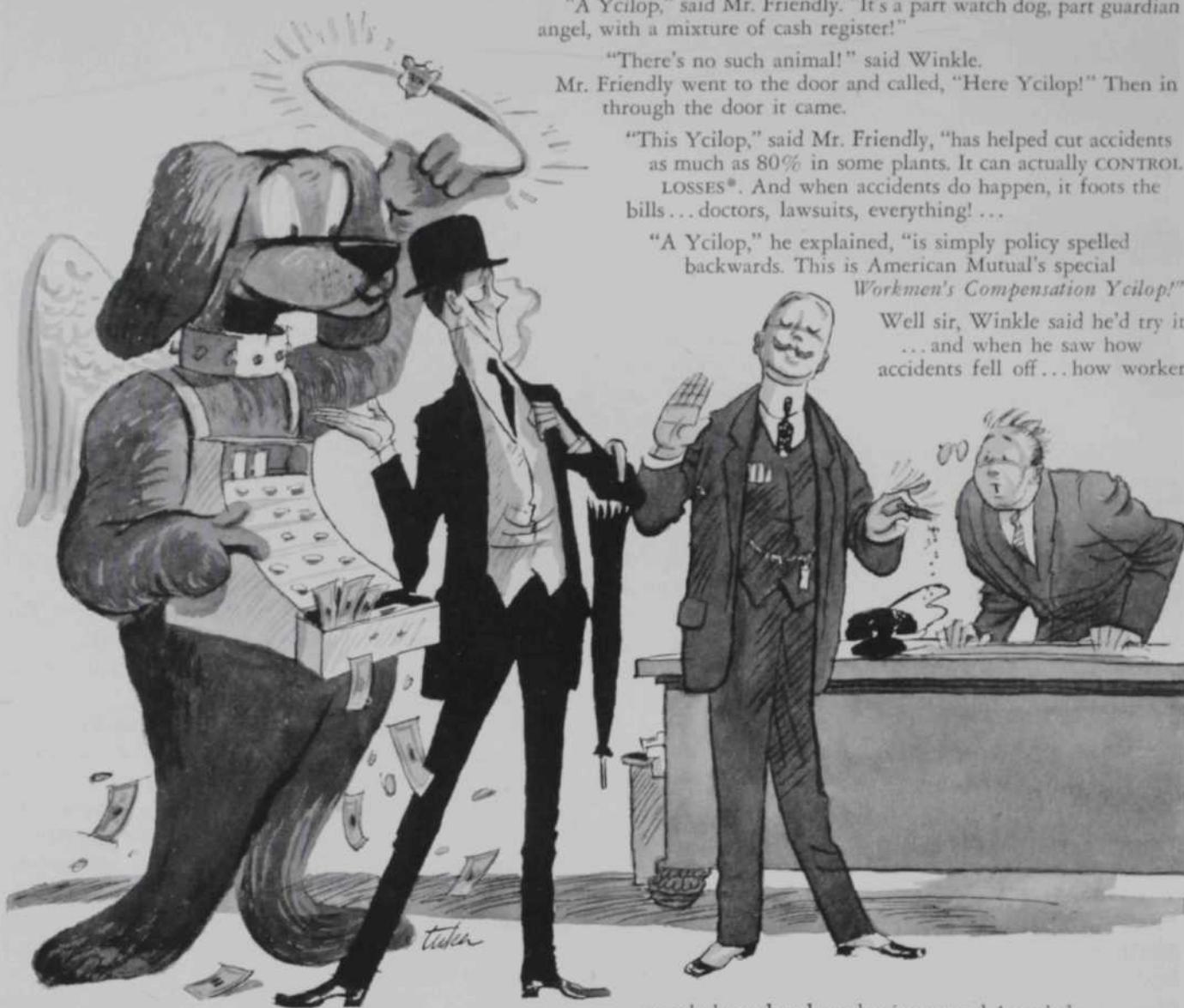
"There's no such animal!" said Winkle.

Mr. Friendly went to the door and called, "Here Ycilop!" Then in through the door it came.

"This Ycilop," said Mr. Friendly, "has helped cut accidents as much as 80% in some plants. It can actually CONTROL LOSSES*. And when accidents do happen, it foots the bills... doctors, lawsuits, everything!..."

"A Ycilop," he explained, "is simply policy spelled backwards. This is American Mutual's special Workmen's Compensation Ycilop!"

Well sir, Winkle said he'd try it... and when he saw how accidents fell off... how worker



morale leaped and production soared, he cried: "Thanks to that Ycilop, we're as yppah a company as you'll find anywhere... and yppah is really happy!"

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capitalistic system are working day and night to destroy communism. They see such instances as the restoration of the monarchy in Greece and the support of conservatives in Italy as a part of that plan.

At the same time, the American people have come to the conclusion that Russia is out to destroy capitalism. With that sort of situation existing, American business men are inclined to conclude they can do nothing about such a political question and are forgetting their dream of a great Russian market.

Employment and Government

Accomplishments under the Full Employment Act will depend to a great extent upon the amount of support that is forthcoming from the executive branch of the Government. Some lack of interest in the plan on the part of the Administration is alleged. The most significant feature of this legislation is the recognition, for the first time, that the federal Government has a responsibility for employment. It long has been claimed that it is the duty of government to provide for the safety of savings and to insure an opportunity to earn the necessities of life to those who are willing and able to work. Insurance of bank deposits came many years ago. The full employment law is intended to round out the obligations mentioned.

Providing employment is a much more complicated matter than is the insuring of bank deposits, but creation of a Board of Economic Advisers to parallel the financial advisers in the Bureau of the Budget presents possibilities. It could develop into a very important activity. The economic advisers have offices adjacent to the Bureau of the Budget. The Board provides the same sort of link between the executive and legislative branches of the Government. It is fortunate that a new director is taking over the budget at the same time the economic advisers are starting to function.

Success of the plan depends to a considerable extent upon the ability of the chairman, as well as the willingness of the President to use the new agency. Business is well pleased with the selection of Dr. Edwin G. Nourse as chairman of the Council of Advisers but those principally responsible for the legislation think he is out of step with the times. His ideas of a relatively free economy, they say, will not work in an integrated system partly under regulation.

Treasury policy these days is of particular importance to business. It has been made clear that there is no plan either to tighten money or to let interest rates go down farther. Advocates of cheaper money have been given the cold shoulder. There is promise in the future of a non-marketable bond for bona fide investors, not eligible for bank purchase. It is a good deal to expect the

Treasury to pay two and one half per cent interest when it does not need the money. For the time being at least the Treasury and the Federal Reserve are seeing eye to eye.

Banking regulations dealing with consumer credit are as strict as they can be made without causing widespread hardship. To require that all automobiles, refrigerators and washing machines be paid for in cash would be unreasonable, the banking authorities believe.

They have strict regulations with regard to minimum down payments and the length of time required for discharge of the obligation. Despite the pressure being brought, there is no indication that the authorities will liberalize these restrictions.

The requirement that charge accounts at stores be settled promptly also will stand.

Credit Growth Is Expected

Consumer credit loans prewar aggregated nearly \$10,000,000,000. It fell to less than half of that figure during the war but since V-J Day the total has been increasing.

Prewar more than half of all department store purchases were on credit. More than three fourths of all furniture was bought on time. During the war there was a phenomenal increase in cash purchases. Installment obligations were taken up in half the time. A change in this situation now is expected as goods become more available and because purchases of durable goods are bunched in periods of high income.

Savings are declining but the fact that full interest rate is not realized on E-bonds until they are held to maturity is causing the prior use of some other forms of savings. The tendency will be, however, to retain a considerable part of the savings for use in emergencies and make new purchases on the installment plan.

Oil burners, plumbing fixtures and other articles that become a part of a house will continue to be exempt from installment restrictions. It is not practical to restrict them when household mortgages themselves are not regulated.

One thing is certain in this postwar period: The banks are determined to get as much as they can of the consumer-loan business. It has proven to be profitable. This type of loan is more likely to be repaid than other types, experience has proven. The banks turned up their noses at this form of paper some years ago. As a result, strong competition in the form of finance and loan companies has arisen. Now the banks will have to fight for the business.



OF NATION'S BUSINESS



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Washington Scenes

THE OUTCOME of the November off-year election is in doubt. Political craftsmen, who ordinarily are able to call the turn on elections, are side-stepping an opinion on this one. They say that it is a "hoss race," or that it depends on the "breaks," which is the same as saying that they have no conviction in the matter. That the Republicans will make gains is taken for granted. Even the Democrats concede that. The big question is, Will the Republicans pick up the 26 seats they need to take over the House and elect Joe Martin as Speaker? If they do, it will be hailed as an almost certain augury that a Republican will move into the White House after the '48 election.

Looked at from any one of several angles, there ought not to be any doubt about this '46 election. The Republicans ought to be heavy favorites to capture the House and threaten the Democratic hold on the Senate.

"Time for a Change"

It is time for the Republicans to win. They have been the minority party in the House now since midway in the Hoover Administration, back in 1931. And while there is no accepted rule in the matter, 15 years is looked upon as a reasonable length of time for the working out of a political cycle—for a turn of the wheel that will end the reign of the "ins" and bring back the "outs."

There is an even more forceful argument in favor of the Republicans, one based on past performance.

The trend has been their way in off-year elections ever since 1938. In that year, they won 80 House seats. In 1942, the last off-year election, they picked up 47 seats, and came dangerously close to winning the Speakership.

True, these gains in '38 and '42 were partly offset in subsequent elections. In '44, for example, the Republicans dropped 19 House seats. But in that election Roosevelt headed the Democratic ticket, the war was rushing to a climax, and the country was deeply impressed by the argument of don't-change-horses-while-crossing-the-stream.

All things considered, the Republican showing two years ago was not too discouraging. Some 30 Republican candidates for House seats lost by a margin of less than 3 per cent of the vote, 20 of them by less than 2 per cent. GOP strategists did not feel that the result invalidated the argument of a Republican trend, and they predicted that in the next off-year election the tide would start

TRENDS



OF NATION'S BUSINESS

running again and continue until their party had complete control of the national government.

Well, that "next" election is now almost here. But as was stated at the outset, political Washington is in no mood to bet on the outcome.

In the early winter months, Democratic campaign workers were almost ready to concede a GOP victory this November.

Democratic Hopes Pick Up

Why is it that today the Democrats are more optimistic?

The chief reason, according to their own story, is that they see no sign of a widespread revolt against the party in power, no evidence of a groundswell for or against either great party.

Privately, they give these other reasons:

First, Postmaster General Robert E. Hannegan, in his role as chairman of the Democratic National Committee, has revitalized the party's campaign machinery. This had been allowed to deteriorate after Roosevelt's third-term victory, the theory having got around that FDR's prestige alone was enough to keep the party in the saddle. How dangerous a theory this was, the Democrats found out in 1942.

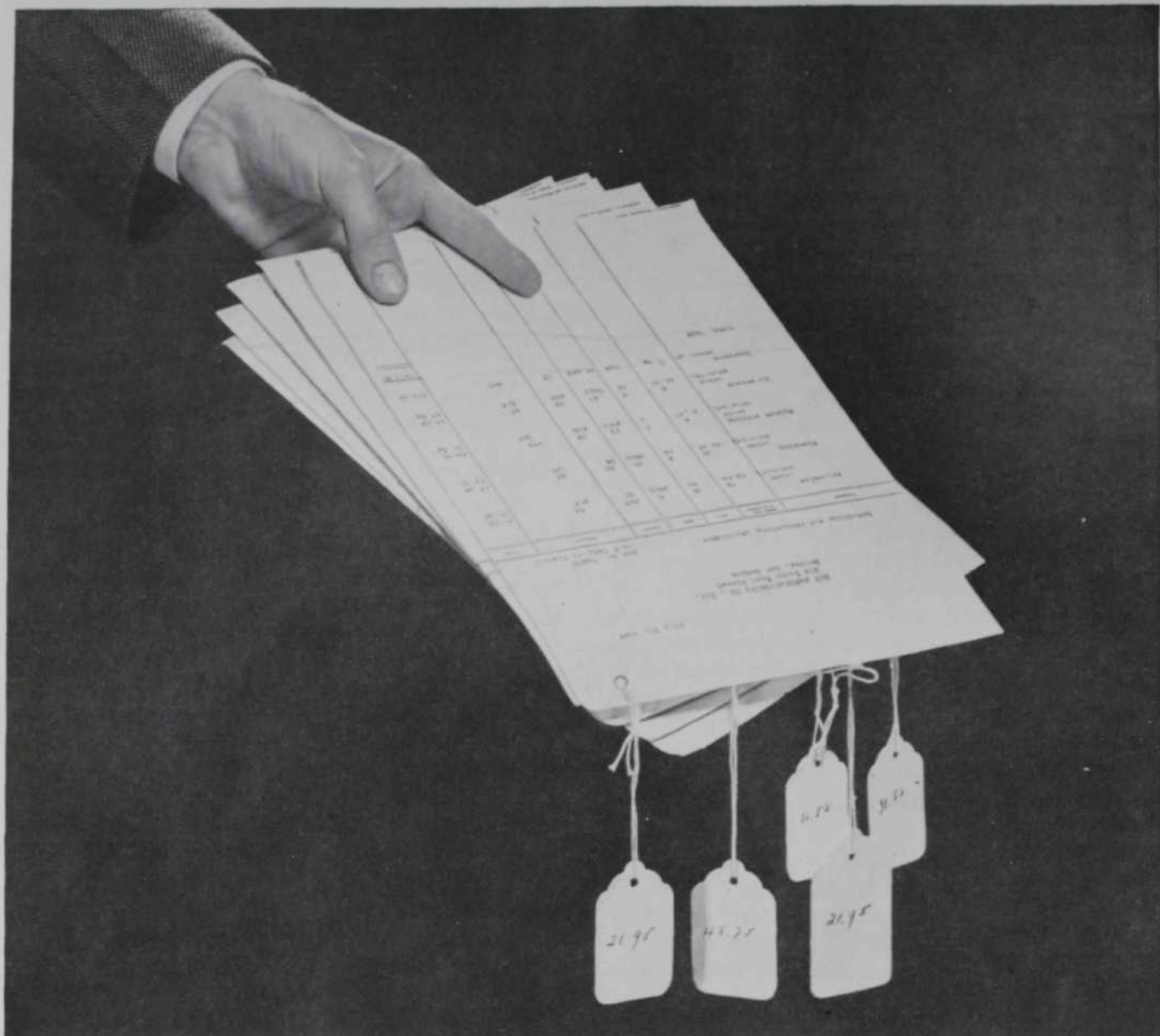
Hannegan, who came onto the scene with the fourth-term drive, not only has built up the party organization, but he has raised a lot of money and is spending it where he thinks it will do the most good.

Second, Hannegan is counting heavily on the old Mark Hanna issue of the full dinner pail. America, he is telling the voters, is enjoying the "greatest peacetime employment" in its history. There are, he says, "20,000,000 more jobs today than there were when the Republicans were in power."

Third, the Democrats point out that the Republicans, if they are to make substantial gains next month, will have to make them in metropolitan areas where labor is strong. This is because the GOP already is entrenched in most rural areas north of the Mason-Dixon line.

Although the Democratic chieftains are, for these reasons, feeling better than they were, they still say privately that the November result looks like a toss-up. One of the best-posted among them puts it this way:

"The election is going to be settled in about 100 Congressional districts. These are considered fighting territories. The party that wins will be



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the party that has the best organization for getting out the vote."

Party organization is, of course, always important, but especially so in off-year elections. The total vote in such elections sometimes amounts to little more than half of the vote in a presidential year. When there is no flaming issue to arouse the voters from their apathy, it is up to the precinct workers to get them to the polls.

The Issues for 1946

Hannegan, as was forecast here, is running Roosevelt again, or at least trying to use his spectral coattails. The issue this year, he said on September 3, is this:

"Shall we, the people of America, cherish and preserve the advances our country has made under the greatest leader of his time—Franklin D. Roosevelt—or must we now surrender these gains?"

Governor Thomas E. Dewey of New York, to whose record as chief executive of the Empire State the GOP points with pride, says that this is the issue:

The Republican Party believes that the purpose of government is to serve the people and not to control their lives. On the other hand, the party of Roosevelt and Truman would take the United States step by step into a regimented society.

Governor Dewey's private polls in New York have indicated that he ought to win a second term by a handsome majority. If this should happen, Dewey automatically will become a strong contender for the 1948 Republican presidential nomination; and this despite the fact that the GOP has never given the nomination to a candidate who lost four years before. At the very least, a victorious Dewey in '46 should have the power to say who will get the grand prize in '48.

Sen. Robert A. Taft of Ohio, another GOP presidential hope, has been waging a slashing campaign this fall. He sees the Truman Administration leading the country toward "the dangerous chasm of bankruptcy and dictatorship." He sees the United States still dominated by "New Deal theory, trying to direct the lives and destinies of our own people and the entire world through a benevolent, all-wise but arbitrary paternalism, with reckless disregard of the cost to the American people themselves."

Republican Chairman Carroll Reece's effort to dramatize the regimentation issue—his continuous hammering away at the "partnership" between the PAC and the Democratic Party, and his charge that "red-fascists" with a Moscow ideology "direct Administration policy"—has infuriated the Democratic political chieftains. They accuse Reece of hitting below the belt. At the same time they insist that they are not going to dignify his charges by answering them.

Actually, however, they have been forced to

answer them, and the vehemence of these answers is the measure of the Democrats' concern. Attorney General Tom Clark has gone out of his way to denounce Communists and Fascists. So has Senator James M. Mead of New York and so have other influential Democrats.

What bothers the Democrats is a haunting fear that rising animosity against Russia in the United States may add effectiveness to Reece's charges. This is a factor that was hardly considered a few months ago. How much it will influence the voters in November is something that only November can answer.

There is one school of thought among Democratic politicians which holds that this election—and also the presidential election of '48—will be decided almost wholly by economics. The idea is not novel. Prosperity, or the lack of it, has always been an outstanding issue.

Democrats who control strategy today—and they include men in the White House inner circle—frankly concede that their party has been in control longer than it had any reason to expect back in 1932. They know that the desire for a change is strong and profound, and they don't think it would take much to stampede the country into voting for a change.

"It wouldn't take a depression to do it," one of them said recently. "All that would be needed would be a recession. Let even a mild recession come and we're finished."

Most Jobs and Discontent

The great paradox of the times, as the Democrats see it, is that, although the world is at peace, and millions of young Americans are back with their families; despite the fact that the United States has nearly achieved the goal of "sixty million jobs"; despite the fact that there is more spending money than ever before in peacetime—despite all this, it is hard to remember a time when there was so much grumbling.

What about "breaks" in this campaign? For a time in the fantastic Wallace affair—the six days of bungling and confusion—Republicans believed that they had a break of tremendous importance. However, after Henry Wallace had been sacked and W. Averell Harriman named as the new Secretary of Commerce, they weren't so sure. A lot depended on what Wallace's left-wing admirers would do on election day.

To sum up, no political tidal wave is in sight as the campaign heads for the October stretch. Victory, it appears, will go to the party that does the best job of getting out the votes.

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The U. S. and World Affairs

BECAUSE the Paris "peace" conference, our ultimatum to Belgrade, the Dardanelles crisis and other events have focused the limelight on Europe, troubled China has receded in the American consciousness and the American conscience. But it remains the number one danger spot as far as the U. S. A. is concerned. It was the struggle for supremacy in eastern Asia and the Pacific that catapulted our country into World War II and it is in that area we are likely to be first embroiled if there is a third global conflict. As Dr. Henry P. Van Dusen, president of the Union Theological Seminary, summed it up recently after consulting Chinese leaders and American diplomats in China:

"Today, for those who are willing to face realities unafraid, one thing is clear: America's most important strategic frontier is not on the Rhine or the Elbe or the Dardanelles. It is on the borderline of Soviet-American confrontation in northern China."

If there is even a modicum of truth in that summation, we cannot afford to remain indifferent to the civil strife that flames anew in that sprawling and white-bled nation. Certainly the other party in the confrontation is far from indifferent. The clamant pressure for American withdrawal of troops from China, paced by the Soviet radio, is being stepped up.

Whatever arguments may be arrayed to justify our removal of troops and our cessation of economic aid to the Central Government of China, it would in effect be a declaration of disinterest and all-out isolationism. Outwardly it would look like non-intervention. In practical consequences it would constitute intervention of the most decisive kind, since it would leave a clear field to Russia.

American diplomacy has been in the curious position of trying to force the Communists upon the constituted government in an attempt to head off a final showdown in the civil conflict. Not even General Marshall, who has spearheaded the effort, is under any illusions about the permanence of a Communist-Kuomintang coalition. Everyone is aware that it would be at best an armed truce. The communist bid for total power predates the Japanese invasion. It was relaxed but never suspended during the years when the ideological motherland, the USSR, was endangered by the war with Germany. It was resumed on a larger scale—and with benefit of captured



Japanese weapons and supplies in immense quantities turned over to the Communists by their Russian comrades—after the Tokyo surrender. There is as yet no sign of the miracle which might resolve this deep-rooted conflict and, at the American end, it would surely be the height of self-deception to mistake any tactical truce for an enduring settlement.

When everything for and against the existing government in China has been said, the fact that we do not want that country to go Communist remains. It is in the light of that crucial fact that American thinking and policy must be unfolded. That is hardly a matter of choice. It would seem to be one of the imperatives of history.

Blueprint for Empire

At the European end of this "Soviet-American confrontation" which dominates the world scene, there has been no let-down in the Kremlin's expansionist drive. The Yugoslav attack on unarmed American transport planes was a fairly obvious Soviet exploration of the American temper. The vigor of the American reaction, and in particular the hasty deployment of U. S. naval strength in the Mediterranean, is doubtless being studied with extreme care in Moscow.

It is a matter of regret that the Nuremberg trial, just concluded, did not use the opportunity to lay bare what happened at the famous conference in Berlin, late in 1940, between Molotov and von Ribbentrop, in which Hitler took part personally. Aside from its historical value, that chapter in Soviet-Nazi relations is pertinent to the current tensions.

It is an open secret, of course, that the full record of that Berlin discussion is in the possession of the American Government. The gist of it has been revealed piecemeal by newsmen and columnists in recent months. It is not easy to understand why Washington does not make the whole story available. Publication of the facts would pull the props from under a lot of propaganda myths by confirming that the Kremlin has been single-minded and consistent in its imperialist aims for a long time.

Specifically, it would show that Molotov then tried to obtain by agreement with a victorious Germany substantially the same things it has since obtained by agreement with its Western allies and is now attempting to round out by

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"... and in these days of delivery difficulties, I can certainly see the advantages of being "next door" to my source of supply. Thanks to Chicago's central location, merchandise flows in by rail, highway, and air from every section of the country, and from the capitals of Europe and Asia as well. Right here in our own region we have hundreds of manufacturers who restock our shelves, and every manufacturer of nationally distributed goods has a representative in the Chicago market. Chicago women, and those from nearby states who shop in this area, enjoy the tremendous advantages of this "great central market." We Chicagoans get real value for our money, and you know what that means to a woman! Besides, I like living in Chicago because I have the cultural advantages of an exciting city and the warmth and neighborliness often associated only with small communities."

This department store buyer is one of the many people who assemble merchandise for the five million who shop in the Chicago and Northern Illinois area. A 372 million dollar business is done annually by the 58 principal department stores of the city, and the eight State Street stores alone did approximately 229 million in 1945. This highly concentrated and complete shopping center is supplemented by more than 75 neighborhood communities, each with its own shopping center within the city limits.

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direct diplomatic pressure and assault. As payment for continued and enlarged cooperation against the democracies, the Soviet Government demanded from Hitler absolute domination in eastern Europe and the Balkans, control of the Dardanelles, a free hand in the Persian Gulf area, including Iran and Iraq. It was because some of these ambitions—in the Balkans, for example—cut across Nazi imperialist plans that the conference failed and the German invasion of the USSR followed.

The present war of nerves against Turkey and Greece, renewed pressures on the Iranian frontier, Soviet encouragement of Arab resistance to Britain, the strengthening of Russia's monopoly position in Balkan economy—all of it follows the blueprint which Molotov placed before Hitler in 1940. Though the negotiators have changed, the Russian price is still the same.

A Separate Economic World

The heart of that price is economic. Stalin seeks to seal off as large and as rich an area as he can as an exclusive domain for Soviet development and exploitation. It should embrace, according to the Muscovite program, all the Soviet satellite states in Europe; Austria and ultimately all of Germany; at least Manchuria and northern Korea, but in due time all of China in the Far East; as much of the Middle East as can be detached from the Anglo-American system.

For a moment during the war—the moment of military reverses and mounting political fears in Russia—the Kremlin played with the vision of huge reconstruction loans from America and trade with all capitalist nations. That mood passed with the certainty of approaching victory. Today Moscow regards loans as secondary considerations where they collide with expansionist timetables. As for commercial agreements, it is interested primarily in those that guarantee a preferred position and a large degree of economic control, the kind it has concluded with Sweden.

The rhetoric of equality of world trade leaves the Kremlin cold. Convinced that it cannot for a long time to come compete with capitalist business on any free-trade or open-door basis, it prefers to function in a vast domain of its own, hermetically sealed against all outside influence. In time it may permit non-Soviet traders to enter, but only on Russia's terms.

Moscow's refusal to take part in the proposed International Conference on Trade and Employment, its failure to ratify the Bretton Woods arrangement, its abstention from the International Monetary Fund and a dozen other international economic ventures must be understood as expressions of an economic isolationism without match in modern times. While the West talks of lifting economic barriers, Soviet Russia is carving out

an exclusive economic empire, with its own living standards, its own trading standards and economic morality.

That is why the economic clauses in the peace treaty drafts have been the aching teeth of the 21 nation talkfest in Paris. The Russians and their puppet delegations have howled every time anyone touched issues of trade and arteries of commerce. Already the Danube is in effect "a western Volga," as a Balkan statesman phrased it. Already the economic monopoly has been reinforced with a series of exclusive trade agreements, joint industrial companies under Soviet domination, reparations settlements carefully calculated to give Moscow a throttlehold on the economic life of the countries affected.

Physical control of the Dardanelles would not only tend to force Turkey into the monopoly sphere but would safeguard the Sovietization of the Danube, which flows into the Black Sea. Subservient regimes in Iran, Afghanistan, Iraq and other segments of the Middle East would complete the sealing-off process.

Italy: A Test of Strength

The only democratic republic that has come out of the war, Italy, is making a desperate fight to survive. When we recall that Italy was the cradle of the Fascism which in time infected the rest of the continent, that fight acquires a sort of symbolic dimension. It is a test of the relative moral strength, even more than the military weight, of the "two worlds." Next door to totalitarian Yugoslavia, athwart the Mediterranean which Russia is intent upon "crashing," Italy holds a position, geographically and morally, of key importance to what remains of the free world.

There are those who believe that as Italy goes so goes Europe. We need not go that far to acknowledge that the fate of that peninsula merits the keenest attention of Americans concerned for the fate of their own civilization.

Italy is overwhelmingly pro-American, despite Allied bungling and harsh peace terms imposed with our consent. It has a hard-working population with an innate love of freedom. In the great moral test the cards are stacked in our favor, provided we have the will and the skill to play them effectively. Unless there is vigorous democratic aid, political and economic, we can look for a communist dictatorship and that country's inclusion in the sealed Soviet sphere. To prevent that disaster, we need only be half as earnest in supporting Italy as the Russians are in supporting, let us say, Yugoslavia or Bulgaria.



OF NATION'S BUSINESS



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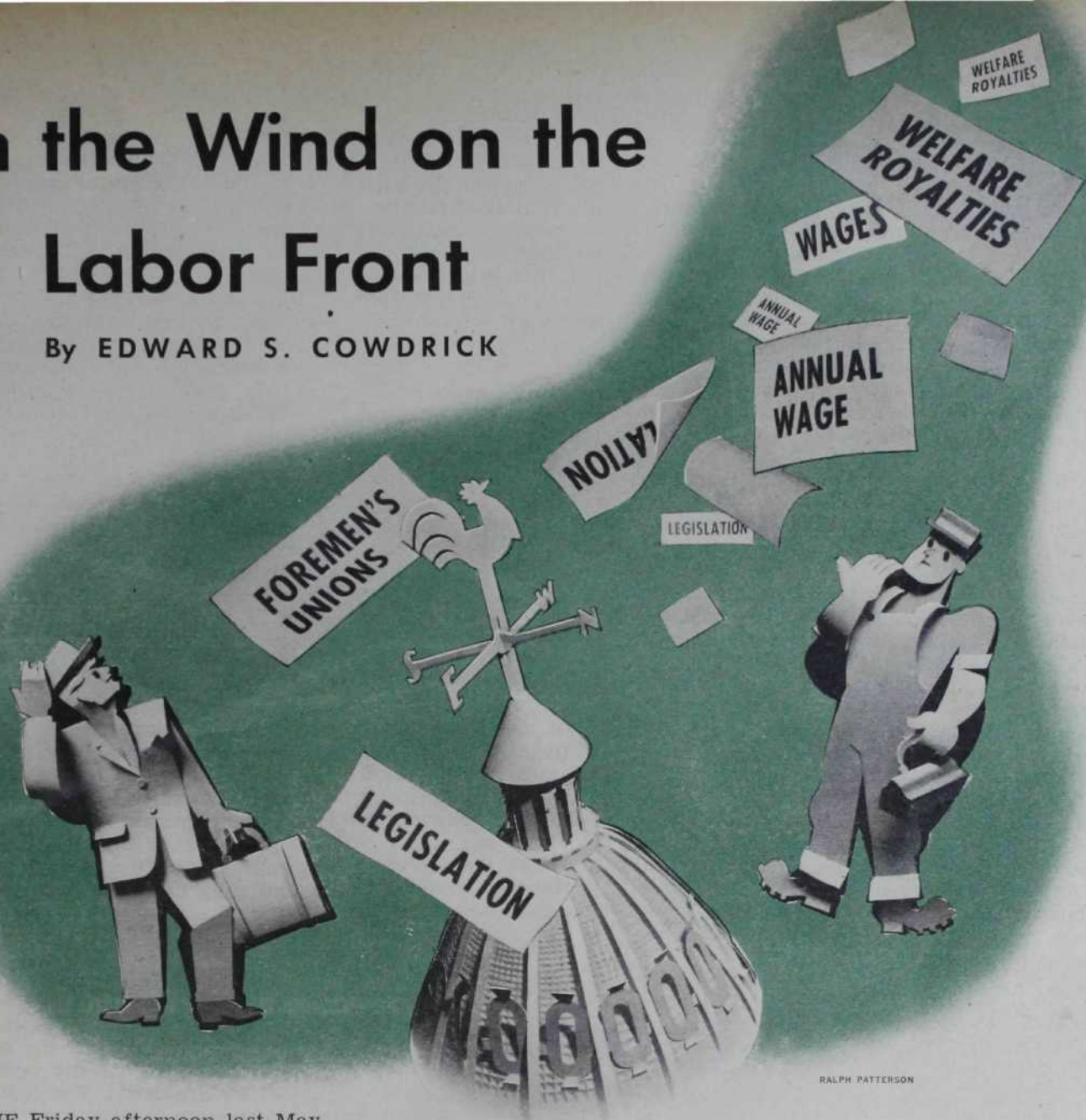
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In the Wind on the Labor Front

By EDWARD S. COWDRICK



RALPH PATTERSON

ONE Friday afternoon last May John L. Lewis, private citizen, announced that miners, who had been on strike for more than a month, would again dig bituminous coal—but only during a two-week truce.

To the ordinary thinking American this announcement was more shocking than had been the original strike call. It revealed that one man—holding no public office and responsible only to a voluntary association of workers—could turn the nation's economy off and on like a child playing with a faucet.

Already the public had become alarmed at the mounting power of labor unions and at the ability, and sometimes the disposition, of relatively insignificant numbers of men to paralyze whole communities. Earlier in the year a mere 3,500 tugboat men had brought the 7,000,000 residents of New York City to the edge of starvation and

freezing. Then came the coal and railroad strikes followed by the truck and maritime strikes.

At first the public got scared; then it got mad.

The pendulum of public sentiment, which for 15 years had been swinging in the direction of organized labor, slowed, stopped and reversed. The change was evident to labor leaders themselves. It seems reasonable to assume that this public reaction against some of the more extreme tactics of organized labor will continue at least through 1947, and that it will be influential in the next session of Congress—

unless in the elections of this fall the unions and their political affiliates show more strength than now seems likely.

The pendulum of public opinion rarely swings back to its former position—or to any point it has passed in its original course. Rather, it acts as if it were hung from a moving, not a stationary, point.

In this matter of labor relations, it is not likely that an employer ever again will be allowed to run his business and deal with his employees on his own terms to the extent that he did before the National Labor Relations Act was

PUBLIC OPINION has swung against the unions. Labor faces new restraints in '47. But management, too, will be caught in a shower of new demands and controls

passed. What we can expect is a growth of government interference and increasing restraint on both labor and management. This interference will be exerted at different points and perhaps with changing emphasis.

Right now, the public is impatient with strikes. It wants them prevented, or their effects localized. There is a strong drift toward some form of compulsory arbitration, an expedient thus far opposed by both unions and employers. New proposals for regulation of unions will be introduced in Congress—proposals wise or unwise, workable or illusory. Some of them may become law.

Against this background, what is the outlook in labor-management relations in the next 12 to 15 months?

Wages: Wage trends are related closely to general economic conditions and to ups and downs in business and finance. What is written here is based upon the assumption that the present or a higher scale of business activity—with accompanying inflationary tendencies—will hold up at least through most of 1947. If those conditions prevail, wages will continue to go up, at least for a time. This is highly probable in a period of aggressive unionism, scarcity of many kinds of labor and rising cost of living.

The movement may be uneven, as it has been in 1946, with the earlier and greater increases going to workers in the larger and more fully unionized companies and industries. The timing is uncertain. It will be influenced by such factors as interunion and intra-union politics, pressure from local union officials and rank and file members, and the reluctance of some leaders to be held responsible for accelerating an inflationary trend.

Confusion in ranks

AT present there is confusion in union ranks and disagreement among labor leaders as to the time and method of making fresh wage demands, with indications that the main campaign may not start until after the November congressional elections. It appears that if the unions postpone their drive for general wage increases until that time, the decision may be influenced by such factors as:

1. Unions that had long strikes this year have not recovered financially and their members are not in the mood to go through the same experience again.
2. Philip Murray's idea in proposing a labor-management conference may have been to

get wage increases by agreement without strikes.

3. CIO and PAC leaders fear that another series of strikes before the congressional elections would hurt the chances of the Democratic Party.
4. Some labor leaders are sensitive over criticism of unions for promoting inflation. At the same time they hope that by making a showing of moderation in new wage demands, while keeping up vigorous resistance to price increases, they can retard the upward movement in the cost of living.

The spectacle of wages and prices chasing each other up an ascending spiral has been familiar in every inflationary boom and usually has been an important factor in bringing on the subsequent "bust," but this time there are differences. For one thing, the famous Little Steel basing point of Jan. 1, 1941, came at a time when wages already were so high that many "marginal" workers, whose best efforts were not worth the prevailing rates, were barred from employment except in times of extraordinary demand. Also, unions never before were so powerful or so determined not to give up any ground they had gained, regardless of changes in economic conditions.

Damage of political expediency

WORLD War II ended with wages at an all-time peak, and the productivity of labor, at the best, a subject for argument. The federal Administration, accepting forecasts of an imminent reconversion depression, evolved the politically convenient theory that wage rates could and ought to be still further advanced, with few and slight price increases, if any.

The collapse of that theory has been one of the most enlightening spectacles in the economic scene of 1946. Workers got substantial wage boosts, but price ceilings could not be held. Living costs have advanced, and unions—those which have not already done so—are preparing to make new demands in the months that lie ahead.

In the face of these present or anticipated demands, many employers probably will have to give ground. Of course, there will be resistance, but if business continues active, with jobs seeking workers and living costs going up, it seems

(Continued on page 88)



Look for other unions to seek royalties on output, now that Lewis and Petrillo have succeeded in their demands



Almost 300,000 copies of the *Selecoes do Reader's Digest* are distributed in Brazil

The World Is Its Newsstand

By DON WHARTON

WHEN *The Reader's Digest* determined to publish foreign editions a few years ago it had no idea sales would reach the terrific total of 2,500,000 copies each month

BACK in the 1930's *The Reader's Digest* began receiving letters from Americans abroad suggesting that the magazine be published in certain foreign languages. An American business man in Argentina wanted it put into Spanish for acquaintances who didn't read English. An American teacher in Brazil wanted it in Portuguese. A missionary in China wanted it in Chinese—and so on, first a few isolated letters, then a trickle, then almost a flood.

Today that business man in Argentina can stand in front of Buenos Aires' *La Prensa* building on the 15th of every month and see 100,000 copies of *Selecciones del Reader's Digest* unloaded from trucks for distribution to newsdealers. Those 100,000 copies are for the Buenos Aires region alone. Argentina altogether buys 250,000 copies.



The number of magazines sold in Sweden is equivalent to a circulation of 7,000,000 in the United States

Mexico buys another quarter million copies. In the little town of Autlan, which a few years ago was four days by burro from the nearest railroad, a newsdealer sells 50 copies a month. This Spanish edition, now six years old, has a total circulation in 20 Latin American countries of more than 1,000,000.

Selecciones is only one of the nine foreign editions published by the *Digest*: Spanish, Portuguese, Swedish, Finnish, Danish, Arabic, Japanese, British and Australian. These editions in eight languages sell more than 2,500,000 copies monthly.

The Spanish, Portuguese, Arabic and Swedish editions each have the largest circulation of any magazine in its language, and others rapidly are approaching this record. The Arabic edition's circulation is twice that of any other magazine in

Arabic. The Spanish edition sells five times as many copies as any other magazine in Spanish.

The Japanese edition, launched in June and limited by paper shortages to 100,000 copies, sells out each month in a couple of days. Unfilled newsstand and subscription orders indicate that if paper were available the Japanese circulation would climb to a million.

One Japanese business man, sending a money order to the Tokyo office, reported:

"In Sendai I saw people who wanted to buy this magazine standing in a long queue just like a huge serpent."

Sales demand is high

IN July the business manager of the Japanese edition visited dealers in Osaka, Kobe, Kyoto and surrounding districts, and found them wanting to increase their orders by 20 to 70 times. In Kobe's largest department store the magazine is sold at the list price of three and a half yen. On the day the magazine appeared, this store sold its 700 copies of the July issue in a few hours. Later in the day the department manager passed the store's first floor entrance and found his customers reselling the same copies for from seven to ten yen a copy. Such demand is typical, as evidenced by a cable from Tokyo in July:

"Dealers now using tie-in sale system whereby customers wanting buy *Digest* must purchase three to eight

Circulation of the Arabic edition already tops that of any other publication in Arabic

additional slow-selling magazines. This practice widespread."

Such popularity abroad has amazed the editors. In 1937 the magazine surveyed the possibility of publishing in Spanish. The survey indicated that 25,000 copies might be sold. The project was shelved until 1940, when Hitler's success with his divide-and-conquer policy began to underline the necessity of more union in the Americas. At a luncheon in the magazine's home offices at Pleasantville, N. Y., that summer the "good neighbor" value of a Spanish edition for Latin America was brought up again. The gloomy survey was recalled and the subject was about to be dropped again when Al Cole, the magazine's business manager, spoke up:

"Why don't we sell it at half price and take a limited amount of advertising?"

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Copies of the Japanese edition often pass through several persons, with each paying a higher price. Dealers also use the tie-in sales plan to get rid of slower selling magazines



The Role of Trade in World Peace

By W. L. CLAYTON

Under Secretary of State for Economic Affairs

IT IS commonly believed that, in the past, "economic necessity" has generally governed foreign policy.

Flags are supposed to have followed trade. Wars are supposed to have been waged to establish national sovereignty over areas in which nationals of the home country had already established—or desired to establish—trade relations or productive enterprises.

More recently, according to this same view, the extension of state control to wider fields of activity has been a device of governments to utilize business as a cover to implement foreign policy.

As for the past, the importance thus attributed to business seems to me to exaggerate the influence business has exercised over foreign policy. The alleged economic motivation of foreign policies implies that both business and government were more conscious of economic needs than was the case.

In my opinion, as good a case might be made on the other side—to show that, in general, neither

IT WILL speed world recovery, says Under Secretary of State Clayton, if business and government work together to form our foreign economic policy

business nor governments have given proper attention to economic needs, or tried hard enough to provide for such needs in their foreign policies.

Before national needs can become policies, foreign or domestic, they must be recognized. No country's foreign policy can be more than the product of all the needs recognized by those controlling its policy.

So long as governments were responsive only to the wishes of the ruling caste, business as such had little to say in the formulation of policy. Certainly before the French Revolution, trade was used to support conquest, rather than the reverse—and trade was highly con-

trolled if not nationalized. Even so, the motivation was not clearly economic.

In the following period, the predominant desire of the trading interests was that their governments should leave them free to pursue their businesses unhampered. Since new areas were available for economic development, and rapid technological advances opened up possibilities for further development in the older areas, the situation was one in which the advantages of private ownership in terms of incentives to development outweighed other considerations. In a sense, foreign policy was responsive to economic needs, but the response was a hands-off policy.

At the end of the nineteenth century and the beginning of the twentieth, private businesses having international ramifications were beginning to find themselves in situations in which more governmental intervention seemed desirable. It is in regard to this period that the best case can be

made to show that governments have taken positions *vis-à-vis* other governments as a result of international difficulties encountered by business enterprises. Nevertheless, despite representations occasionally made or force displayed to protect foreign investments, it is doubtful if either business as a whole in any great nation or the more limited group having financial interests abroad can be shown to have determined foreign policy.

Played small role

IF instances of the intervention of governments in behalf of private groups are compared in importance with instances of foreign relations in which protection of business interests played no significant role—as for example the motivation of World War I—I think it is evident that business played a small role. The same is generally true of the period between the wars, at least up to 1929, long after the interplay between conduct of business on an international scale and conduct of relations between states had become so complex as to be a source of real and continuing problems.

Business often went ahead without heed for the implications of its activities in the situations which it might be creating, notably in participation in international cartels and in its investment policy. The business community went on following traditional patterns in its attitudes on foreign policy without thought of the underlying international economic situation. Certainly this heedlessness did contribute to the depression, to the type of measures adopted for cure of the depressions and generally to conditions leading up to the outbreak of war.

In other words, if foreign policy had conformed from the early '20's to a farsighted interpretation of economic necessity and had kept pace with it, we would have had a better chance of averting World War II. If business on an international scale was generally unconscious of the disharmony between certain of its practices and the needs of the situation from the

community point of view, it is clear that it did not often inspire major foreign policies.

Question raised

AT PRESENT, governmental control of international economic life is at a new high. Does this assure a better understanding of economic needs? Or is it, on the other hand, the equivalent of saying that business is becoming the instrument of foreign policy?

I think neither is inevitable, unhappily in the first case and happily in the second. Governments controlling business and trade seem not much more likely to recognize fully the long-term needs of their countries than governments acting in behalf of preoccupied business men.

On the other hand, while concentration of economic power in

greatest dangers of abuse of economic power.

I think we should be clear regarding the attitude we are to take toward government controls of business and trade as they affect foreign economic relations. Recent extensions of controls over production and trade are largely the result of the exigencies of war and will not outlast the return of supply conditions to normal. The economic advantages of competition among business units conducted for private profit cannot be equaled by state-controlled enterprises. I think we are fairly unanimous in our determination to maintain this type of economy.

The United States is in a more favorable position than any other country in the ease with which it can do this. Elsewhere, the situation is less clear-cut for many reasons. The countries devastated by war cannot abandon wartime controls as rapidly as we can, because supply conditions will not become normal until they have rebuilt their domestic industry and foreign trade and have re-established their international monetary position. In all of these respects they suffered more from the war than we. To do this rebuilding, many foreign peoples must look to their governments.

Dropping controls

MANY government controls will be dropped when the difficulties carried over from wartime are removed. In some countries, of course, there is a strong feeling that nationalization of certain sectors of the economy is the best way of coping with future as well as present problems. The motives for such action are varied;

some are open to doubt from our point of view, others are hard to gainsay. In any case, the ownership and organization of its production and trade are basically the concern of each country. Naturally, where American interests are affected, this country will look for fair and equitable treatment.

For our own part, we believe that the best interests of the United States will generally be served if our foreign trade is conducted on

(Continued on page 105)



Before the French Revolution, trade was used to support conquest and was highly controlled

governmental hands creates a danger that this power will be used for various non-economic and, perhaps more important, uneconomic purposes, that development is not a necessary one.

Our problem is to obtain a clear understanding of a program which the federal Government can undertake to serve a maximum expansion of effective production, trade and employment in the public interest. Such an understanding as this will remove one of the

Putting Wings on the Boss

By A. H. SYPHER

WITH its own plane to take its executives where they want to go, this company saves both time and money

HIS business in New York was completed during an evening conference. A. W. Ambrose, president of the Cities Service Oil Company of Delaware and the Empire Pipeline Company, went to his hotel room and slept. His next move was to return to the company's headquarters in Bartlesville, Okla. He had no train or plane ticket, no reservations. He needed none.

At eight the next morning he stepped from a cab at LaGuardia Airport, paused in the terminal building to send a telegram, and



A. W. Ambrose, company president, and Bert Walker, pilot, plot route

walked out to the passenger loading ramp. In a moment a twin-engine airplane bearing the Cities Service emblem on its green nose taxied up to where he stood.

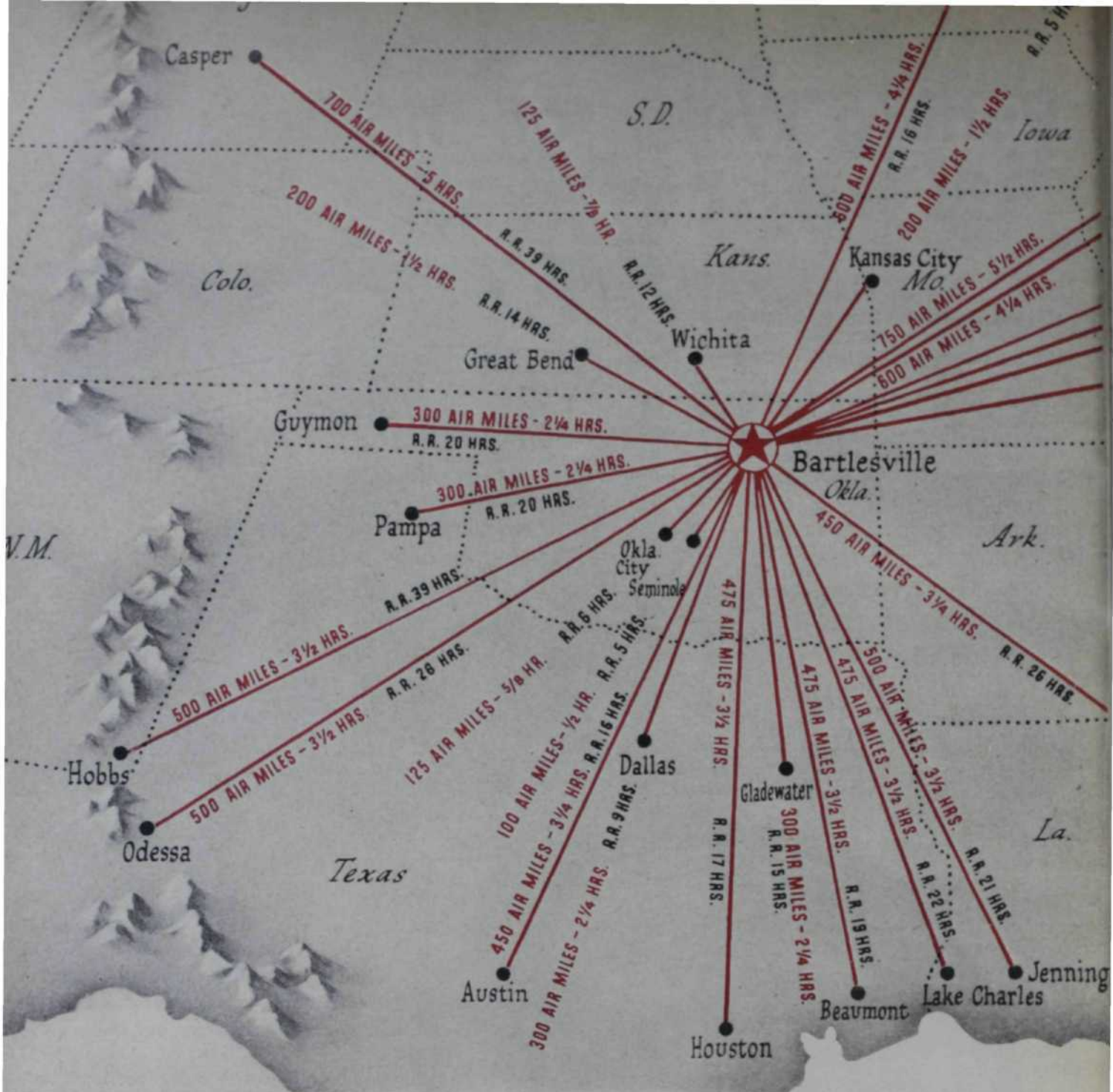
"I always come up here to help Bert get it off," said Mr. Ambrose, as he adjusted his safety belt in the seat beside the pilot. At 8:20 the plane was airborne. The sky was bright and clear. At 5,000 feet the air was cool and smooth. Visibility faded into a soft haze 15 or 20 miles away.

Mr. Ambrose read a morning paper, went through some reports, then picked up a sectional air navigation chart.

He peered out at the towns, rivers, railroad tracks and highways sliding by under him, and studied the chart to find a corresponding area. After a few minutes he leaned over to the



Trips to points as far away from Oklahoma as New York or Chicago mean hours saved by Mr. Ambrose



pilot, indicated a point on the map. Bert looked at the chart, glanced at the terrain below, and nodded. Mr. Ambrose's position finding was confirmed.

Bert was Bert Walker, who flies Cities Service executives nearly 20,000 passenger miles a month on the company's business and has saved them as many as 297 actual office working hours in a single 30-day period.

Mr. Walker's 4,000 hours of flying experience is spread over the past ten years in aircraft ranging from Cubs to the Army's mighty four-engine bombers and cargo planes.

His war record in the Air Trans-

port Command includes service on the famed Fireball Express route from Miami through Natal, over the South Atlantic, and across Africa to India. He served also as an instrument flight instructor at an Army twin-engine base, and his final war assignment was on the Hump run, where he flew 750 hours over the steep and treacherous Himalayas on the China lifeline route.

This service brought him the Distinguished Flying Cross, the Air Medal with a cluster, two battle stars and a thoroughly rounded experience in flying and navigating under adverse conditions.

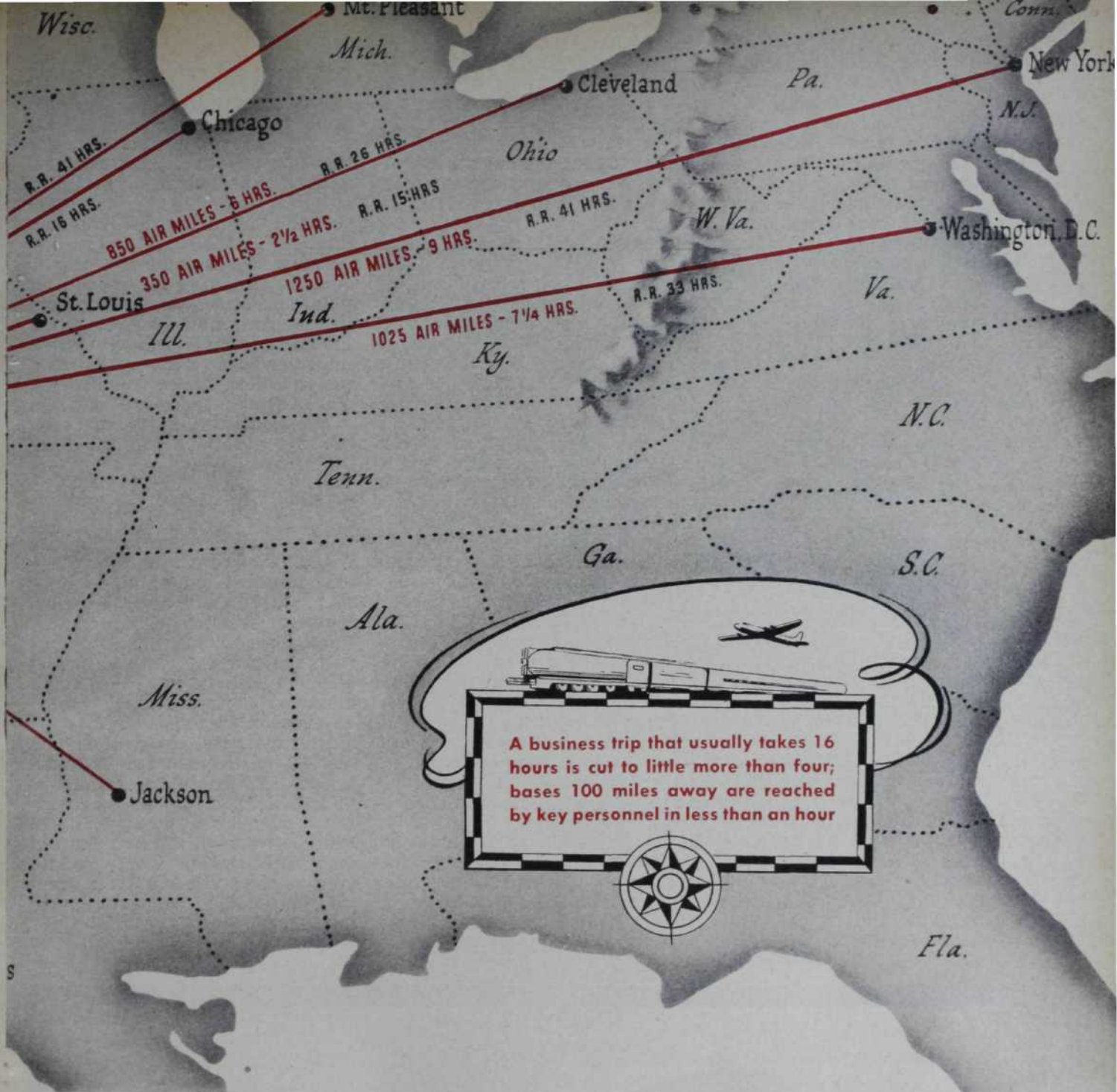
Like its pilot, the company air-

plane is a veteran of World War II. It was built by Cessna for the Army as a light personnel transport.

Its background and fabric covering have given it the friendly nickname "the Calico Bomber" among many of the Cities Service people.

Its two engines together develop 490 horsepower, considerably less than half the power developed by a single motor on a multi-engine airliner. But they drive it through the air at a speed of 140 miles an hour and enable it to take off, when necessary, from short sod fields.

The interior has been fitted with seats for five, in the fashion of a sedan, upholstered in red and



rust leather and mohair. It affords much more space and far greater comfort than the average automobile.

Few stops en route

FORTY-FIVE minutes after leaving New York, the plane passed over Reading, Pa. Harrisburg dropped behind 15 minutes later. Below, the Pennsylvania Turnpike began its winding course across the Appalachians. A cloud of dense gray smoke identified Pittsburgh an hour later, and at 11:30 the plane landed at Columbus, O., for fuel and lunch.

The flight had been made in

three hours and ten minutes—20 minutes less than an airline's schedule over the same route, even though the airliners fly 30 miles an hour faster.

The airliners' stops at Harrisburg and Pittsburgh account for the difference, and indicate the time saving of direct, non-stop even though slower, flight.

After another stop for fuel at St. Louis, Mr. Walker climbed to 10,000 feet to top thinly scattered clouds in the mid-western sky. He descended over eastern Oklahoma and landed at Bartlesville. Mr. Ambrose had time to stop at his office before going home to dinner.

The flying time from New York

City was seven hours and 55 minutes. Total elapsed time, including stops, was less than ten hours. There had been no rush to meet a schedule, no baggage ticketing, and no waits caused by delayed departure.

The transportation had been made to fit the need, and the passenger had been landed within ten minutes' drive of his own office.

Train time for the same trip is 41 hours. No airline serves Bartlesville.

"You can't exactly measure the cost, or the benefit, of an airplane in dollars and cents," explained Mr. Ambrose. "The important point is the things that it

enables us to do—things that otherwise we couldn't do at all.

"For instance, we have a chief engineer of whom we think very highly. We like to have him supervise our major jobs. Just now we have some construction work under way at Milwaukee. Our chief engineer can't stay up there to supervise the job. We need him here and in other places. But with the airplane he can run up to Milwaukee in a few hours, spend half a day going over things, and come back the same day.

"Who can say just how much that advantage is worth in dollars and cents?

"It may be that something he finds or does on a single visit will be worth a lot to us, maybe even the cost of the airplane. Anyway, we know the job is being done the way we want it done, and that's worth something."

Operations are spread far

THE oil company represents an investment of about \$200,000,000 and its operations are spread over the middle third of the United States.

Its principal marketing office is in Chicago, with branches in Detroit and Cleveland. When headquarters were established in Bartlesville nearly 30 years ago, the major producing area was within sight of the offices.

Although oil still pours from the first producing well in eastern Oklahoma, large scale production has moved away. But in moving, it has left Bartlesville nearly in the

geographical center of the ever-spreading production fields. It still is the logical center of operations. The production movement also has left a transportation problem similar to that of many other businesses whose operations and markets are scattered over widespread areas.

Today Cities Service oil comes mainly from Texas, western Oklahoma and Kansas. The company also has substantial activities in the Gulf Coast area, Mississippi and Wyoming.

Other fields are developing in a lengthening radius from the headquarters.

About 3,000,000 acres of land are under lease, ranging from Mexico to Montana, and from Michigan to the Rockies, with some leaseholds spilling over the western slope of the Rockies.

In one average month seven divisions of the company used the airplane for executive travel. Service departments led with a total of 17 trips. Others were land and geological, nine; oil production, five; oil pipeline, two; gasoline, three; engineering, two, and legal, two.

Importance of the trip determines priority of the plane's use. When a trip is planned, a request listing the time and terminal is sent to the transportation department.

The trip is listed on a notice circulated among executives and department heads. Thus other trips may be fitted into the proposed schedule, unoccupied space filled, or the route altered. Use of

the plane usually is outlined a week or so in advance.

Occasionally emergencies break into the outline. In one case executives learned on short notice that they needed an expert witness to testify in behalf of the company at a hearing before the State Corporation Commission at Oklahoma City.

Before the commission was a question involving the spacing of wells in the Lindsay area where the company holds valuable land. The best witness possible was a famed geologist who, at the time, was in Dallas, Texas. The airplane picked him up there and took him to Oklahoma City in time to reach the witness stand before the hearing closed.

More trips get jobs done

"AN adverse decision in this case would have cost the company several hundred thousand dollars," said G. L. Wheatley, superintendent of motor transportation. But he agrees with other executives that the value in a company airplane is found not in dramatic instances of its use, but in everyday type of travel.

"Getting hotel reservations is a terrible job in our part of the country and the general inconvenience of traveling puts off a lot of trips that really should be made," Vice President Sam H. Harlan pointed out. "When the men can jump into an airplane and come home when their work is finished, the trips are made—and the job gets done."

(Continued on page 85)



The plane is a veteran of the war, having been built for the Army as a personnel transport. Its interior affords much more space and far greater comfort than the average automobile

Washington Improves Its Mind

By CARLISLE BARGERON

ITS GREAT number of college graduates makes the national capital the best educated city in the world

ALTHOUGH the pronouncements coming out of Washington frequently do not demonstrate it, the fact remains that our nation's capital is probably the best educated city in the world.

According to authoritative educators, there are four to five times more college graduates in Washington, per capita, than in any other city anywhere, and the number is increasing rapidly as a result of a concentrated search for knowledge that continues 12 months of the year, day and night.



Night sessions at George Washington's School of Government and life classes at the Corcoran School of Art attract D. C. students

dancing or hotel management to science or diplomacy.

The physician can, after hours, learn about psychiatry which is becoming an increasingly fashionable practice and thus offering bigger and better fees. Does the government clerk, apathetic to his daily humdrum, aspire to be a Whistler?

The famous Corcoran Gallery of Art, the National Gallery of Art and the Abbott Art School, to mention only three of the better known, will teach him how.

Would he like to be able to air his views in many languages, either with an idea of going to other countries or merely to ask for another drink at the cocktail parties of the diplomatic set? There are all sorts of schools designed to make him fluent in Spanish and to acquaint him with the customs, business

It is only a small exaggeration to say that everybody in Washington is studying something. The file clerk in a government department, the telephone operator, the boy behind the soda fountain may each be a Ph. D. in fact or in embryo because, for those who must work while they learn, Washington offers rare opportunities for combining daytime jobs with nighttime education.

More than 60 different night schools are equipped to teach the ambitious student anything from ballet

practices and laws of Latin-American countries.

An A. B., Master's or Doctor's degree can be obtained from the night classes of George Washington and American Universities. Any number of the heads of government bureaus, receiving \$8,000 to \$10,000 a year, are graduates of night classes in law, accountancy or business administration.

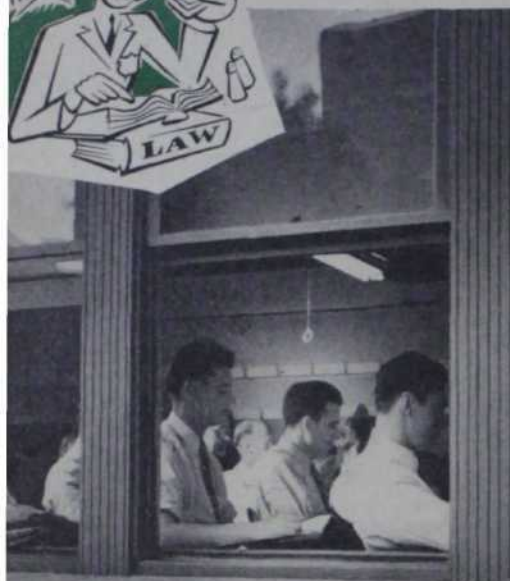
If you happen to see the youngsters on the Capitol police force and think of them as Keystone movie cops, as many have, bear in mind that they are almost all

Frank J. Hogan (deceased), the little bundle of nervous, brilliant energy, who rose from most meagre beginnings to the presidency of the American Bar Association and who reputedly got \$1,000,000 from Edward L. Doheny for defending him in the famous oil trials, was a product of Georgetown Law.

Now engaged in the Japanese war crimes trials are two other products of local night classes: John W. Fihelly and John W. Guider. Guider is the son-in-law of Hogan.

J. Edgar Hoover is an alumnus of George Washington, as is former Senator Bennett Clark, now a member of the federal judiciary. In the public night vocational schools there are classes for apprentice workers in the skilled trades, operated under arrangement with the employer and the union.

As for the aspiring actor, Catholic University—along with a full schedule of other subjects—offers an experimental theater so excellent that several plays originating there have gone on to Broadway, taking along members of the original casts.

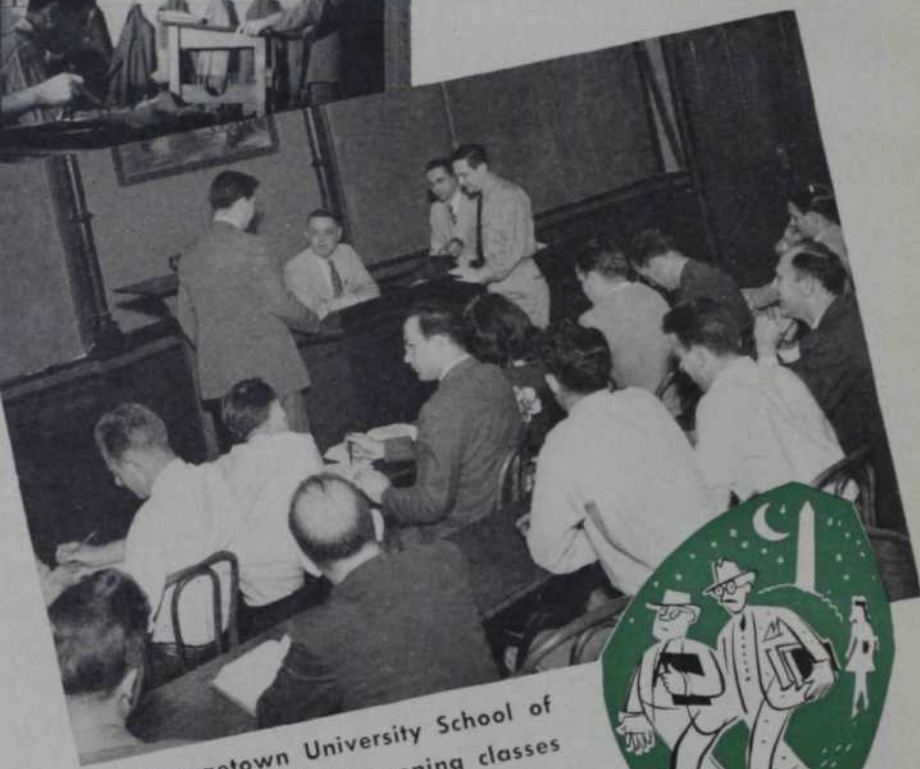


For 36 years Benjamin Franklin University has offered accountancy at night

night law students and some may become members of Congress. Senator J. W. Fulbright of Arkansas, a Rhodes scholar who has attained prominence as a global thinker, got his law at George Washington at night. Senator O'Mahoney of Wyoming, while serving as secretary for the late Senator Kendrick of the same state, took night school law at Georgetown, returned to Wyoming to become a newspaper editor and then came to the Senate.

Alumni who have succeeded

PATHURLEY, who was Hoover's secretary of war, Roosevelt's roving war ambassador and more recently special ambassador to China, got his A.B. from George Washington night classes and his law from National University's. Somewhere along the line he reputedly made a fortune out of oil. The late Dan Roper came to Washington as a youngster from South Carolina to work for the Government. He also took night law at National, and, between the time he served as Woodrow Wilson's internal revenue commissioner and the time Roosevelt named him secretary of commerce and later minister to Canada, he made his \$1,000,000 practicing law.



The Georgetown University School of Foreign Service holds evening classes



It is estimated that some 35,000 persons attend Washington night schools, the great majority of them government employees. Countless others attend special lecture courses in economics, current affairs or the drama. Washington is less than ten miles square, with the government buildings largely set compactly in one section of the city. Around 5 o'clock in the afternoon there is a vast disgorging of human beings and a relative gorging into the night schools, nearly all of them within walking distance of the place of employment. Thousands attend the in-service schools of the FBI, Internal

Revenue and State Departments. They are employees being trained for their jobs, and studying on government time.

Behind the urge to improve the mind at a night school is the desire for a better job in the Government. It is not believed, for example, that more than a fifth of the law graduates enter the practice of law. The fact that they have a law degree, or one in accountancy or business administration, will jump them almost automatically to a higher grade. Even young women in the stenographic pools are moved to seek college degrees because they discovered that many of the girls working with them had master's degrees.

College graduates were favored

ABOUT 1934 the Civil Service Commission went in for the recruitment of non-specialized liberal arts college graduates for placement in various agencies. It was the Commission's plan to encourage young college graduates to make a career of government service.

A year or so ago, however, Congress ruled there should be no discrimination between college and non-college applicants.

While opportunities for night study have multiplied considerably in the past 20 years, they do not constitute a new phenomenon. It has always been possible for civil service workers to study to improve their grades. The government rolls are crowded with those who entered as messengers, file clerks, stenographers and typists, and who by study dur-



ing and after office hours, have reached positions of responsibility. In 1892 Congress made available to students its collections and libraries and in 1901 threw open to students all of its vast facilities for research.

Washington women greatly outnumber the men and a sizable part of the night school population, no doubt, is made up of women government workers who attend for the companionability of the classes. They go to school instead of the movies. The ages at these night classes range from 17 to 70.

It is almost essential for the workers in the lower technical and professional grades of the Government to get additional learning to increase their earning capacity. To serve these people, there is one of the most unusual schools in the country, with night classes only. It is the self-supporting Department of Agriculture's Graduate School. It receives no funds from the Government but is permitted to use available rooms of several departments, including the Smithsonian Institution, for its classes. It is intended primarily for government workers but outsiders are permitted. The students pay \$8 or \$9 per credit hour. This year there are between five and six thousand in attendance. The enrollment has run as high as 8,000.


This school was established by the senior Henry Wallace shortly after World War I when he was secretary of agriculture under Harding. A joint
(Continued on page 70)



One of the country's most unusual schools, with night classes only, is the Department of Agriculture's Graduate School. Students are shown studying the institution's list of courses

Great Britain's

RESTRICTIVE practices on the part of both labor and management are much to blame for the condition in which the British find themselves




NATIONALIZATION in the form it presents itself in Britain could be described as "free enterprise in receivership." The industries already nationalized, as well as those threatened with the process, are those vitally necessary for the national existence. Three of them were at the core of Britain's industrial greatness in the 19th century. All of them are potential sources of export earnings, without which some 30,000,000 out of a population of 46,000,000 could not survive in the British Isles.

Yet, with the exception of the Bank of England, the nationalization of which can be regarded as a sop to socialistic ideology, all these industries have proved themselves unable to stand on their own feet under conditions of free competition. Even before the present British Socialist Government came into power, most of them leaned heavily on the state to support them in a way that could only be regarded as barefaced malpractice under any true system of free economy.

Coal mining, iron and steel, cables and wireless, overseas air transport, industries already earmarked for nationalization, all had one feature in common before World War II. Their inefficient and high-cost operation was made possible either by government acquiescence in regimented minimum prices, restriction of competition, or in outright use of tax money to cover up inefficient and uneconomic policies. Some of the other industries, not already nationalized but clearly threatened, are in a worse economic condition.

It is a joking matter in Lancashire that the cotton textile industry, generally regarded as in a



The unions' rule that only certain men may do certain jobs leads to idleness and places a brake on industry

Vicious Circle

By A. WYN WILLIAMS

worse state of inefficiency than coal mining, was not nationalized. Its condition is said to be so bad that even the present Socialist Government is afraid to tackle it as a nationalized industry! In giving it a surprise reprieve from nationalization last fall, the Government ordered it, as it does with all sickly industries not immediately nationalized, to make itself a guinea pig for a new experiment in industrial management.

It had to permit its condition to be examined by a committee called "The Working Party" which had instructions to report to the Government on "steps that should be taken to strengthen the industry and render it more stable and more capable of meeting competition in the home and foreign market."

It is, perhaps, a tribute to the low esteem in which the Socialists hold management that, of the 13 members composing the working party, only four had to have managerial experience in the industry.

U. S. seen vulnerable

ARE there any features of these British industries, that have fallen so far behind the parade of industrial progress, that suggest that one day a similar condition might befall their counterparts in the United States?

Broadly, yes!

The British industries that are without means of self-help today are those which once were the most prosperous and efficient. Their prosperity made them the first targets for unionization and the labor raider.

They, therefore, became the stronghold of restrictive labor practices, so that, as technological improvements developed, especially after the U. S. initiated the era of mass production, they formed a focal point of resistance to their adoption. This largely explains the fundamental difference today between the British workman's attitude to the machine and that of the American. Here, the labor-saving device is regarded as an instrument for reducing the

manual labor of the worker. In Britain, the worker more generally regards it as an instrument for putting his workmate out of a job.

Therefore, British trade unions in general, where they do not altogether obstruct the introduction of new machines, try to negate any benefits in reduced costs. Some unions, when strong enough, will insist on as many men being employed on new machines as were employed before they were introduced, defeating the purpose of installing them.

This attitude toward the introduction of improved machines is, of course, only part of the story. Management in Britain shows far more reluctance than American management to plow back profits into plant improvements rather than to pay out the money as dividends. Nevertheless, the truculence of trade unions is chiefly responsible for the failure of the older British industries to modernize.

The cotton textile industry illustrates the obsolescence of some British industries. About a third of the spinning machines were in-

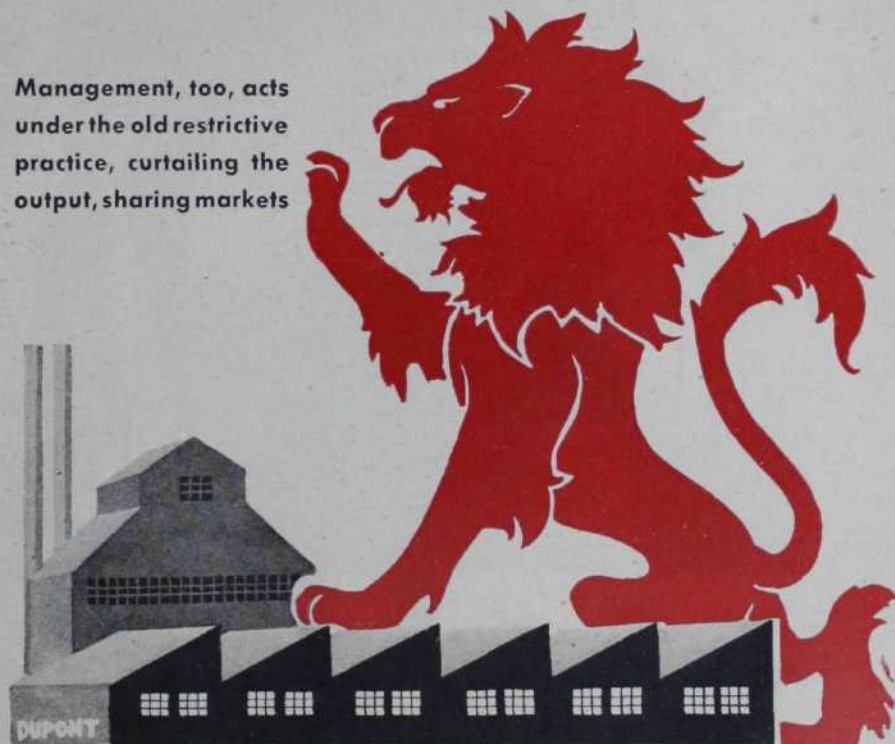
stalled before the end of the last century and almost half of the looms are equally antiquated. Only five per cent of English looms are automatic against 95 per cent in the U. S. Not more than ten per cent of the equipment of Lancashire mills was installed since 1920.

Antiquated equipment

IN other words, had Britain been fighting World War II in the manner in which one of her leading industries is equipped, she would have had 90 per cent of her armed forces using weapons invented before World War I and at least 30 per cent of them using pre-Spanish American War arms.

With this in mind, it is easy to see why the output per man hour of the British textile worker has not advanced in 40 years. The restrictive policies of British textile trade unions also reflects itself in other ways. The unions will not accept scientific methods of assigning workloads to perform a particular job. Hence, for the same output, the British labor require-

Management, too, acts under the old restrictive practice, curtailing the output, sharing markets



ments in the textile industry exceed the American by 22 to 98 per cent in spinning, by 387 to 571 per cent in winding, by 129 to 203 per cent in weaving.

Expressed another way, the British textile industry, which in the 19th century was the envy of the world and one of the principal factors in England's rise to industrial greatness, today practically employs two men to do the work of one American. This is one of the reasons that Britain's cotton export trade has dwindled in the past 25 years to a fifth of its former size. Yet England can exist only if she exports.

The situation is still more tragic in the case of coal. This is one raw material that Britain has in abundance. Twenty-five years ago it was exporting 100,000,000 tons to countries which supplied Britain with the materials of which she herself was short. Today, not only is Britain not capable of exporting coal, but she faces the need this year of importing some 15,000,000 tons—a literal case of carrying coals to Newcastle. A sufficient supply of coal is vital to Britain unless her export program is to go a-glimmering, which would either force her people to starvation or oblige them to be perpetually the beneficiaries of the charity of other nations.

There is a particularly disquieting angle to the lack of coal pro-

duction. While, at various times, the unions have opposed employment of labor-saving devices—such as even in the war just ended when American Lend-Lease machinery was thrown out of pits in Yorkshire and Lanarkshire—it cannot be said that the British coal industry has failed to modernize to the extent of the British cotton textile industry.

Output dwindles

THE percentage of coal cut by machinery has risen from eight per cent in 1913 to 61 per cent today. Yet, in spite of increased mechanization, the output of coal per manshift has actually declined. It was 1.016 tons in 1913 against practically an even ton today. Great Britain is the only coal producing country showing a decline in manshift output since 1913, all the others showing increases of 25 to 100 per cent. In trying to explain this extraordinary phenomenon a committee of engineers (The Reid Committee) appointed by the Churchill Government reported:

"In the U. S. the attitude both of the workmen and their leaders has been generally favorable to the attainment of the highest possible productivity and to a willing acceptance of all mechanical aids to production. They have recognized that only by maintaining an increased productivity, especially in

face of severe competition from alternative fuels, could high wages be paid, and this recognition has undoubtedly greatly assisted the high output per manshift, which is a feature of the U.S. industry.

"In Britain . . . the mine workers mostly refused to recognize that their wages, in the long run, must depend upon the progressive efficiency of the industry. Mechanization . . . was not generally received by the men with enthusiasm . . . where machinery was installed, its potential savings seem largely to have been dissipated by a quiet but effective determination that the number of men discharged should be kept as low as possible. . . . In addition, they have steadfastly required the observance of old customs and traditions which are inappropriate to the conditions of mechanized mining, and thus have put a brake upon the modernization of the industry."

The unions' restrictive tendencies also reveal themselves in the demarcation restrictions between occupations. These confine skilled workers to a comparatively narrow range of occupations and prevent them from performing other jobs well within their capacity. They also hinder the use of semiskilled workers on semiautomatic machines that perform operations hitherto done by a skilled craftsman, thus forming a barrier to the installation of such machines.

Ship orders diverted

SHIPBUILDING in particular has suffered heavily from these demarcation practices. As a result, even before the war, orders which once went to British shipyards were diverted abroad. As vessels become more complicated in their construction, further types of skilled craftsmen become necessary. Today some 30 trades, in addition to laborers, are required to build a ship.

A line of demarcation is laid down for each craft and these lines are jealously guarded. As a result, time is wasted and men remain idle while jobs wait for a tradesman of the proper craft to do his part. Many of these skills, being common in industry, could be performed by members of several skilled crafts or even semiskilled. These contests between different groups of craftsmen add to the mounting costs of production, and hamper other British industries such as engineering and building construction.

They form an insurmountable obstacle to the introduction of
(Continued on page 100)



British shipbuilding has been curtailed by unwillingness of crafts to meet each other half way and boost output

D-D-Do You S-S-S-Stammer?

By FRANCIS RANDOL

THIS is the story of how a man who stammers turned his handicap into a business asset when he finally saw a lot in it he could laugh about

PEOPLE who don't stammer miss a great deal of the humor of life.

Hardly a day passes that I don't have some amusing experience or cope with some ridiculous situation.

If you think it is funny to see a man stammer—and I think it is—you will be surprised to learn how funny you look to him.

I stammer, and it is always interesting to observe the different facial expressions of men with whom I speak. My conversation-alist will often laugh, if he knows me well. Others become embarrassed. Some turn their heads, while some will pull at their lapels. The champion of all is the kind-hearted business friend who, anticipating what you are trying to say, will chant a duet with you, and attempt to get out your words for you. He will louse up your speech and change its entire meaning.

However, I never go back to repair the damage, if any. I just go on to new adventures.

Not long ago I went to my bank for a loan of \$500. The banker became nervous—and so did I. I stammered badly on "500" and he misunderstood me. He said that five thousand dollars was too much of a loan for me, unless I had \$50,000 in bonds for collateral, and he just wouldn't let me convince him that I only wanted 500. I found later that I really didn't need the money, and my speech impediment saved me a substantial sum in interest.

We are still friends.

I have stammered all my life. Only gradually have I reduced it to reasonable proportions. Stammering has caused me acute embarrassment. Stammering also has brought interesting experiences



"You do dental work I like," he said. "It makes no difference to me if you stutter or have flat feet. So don't let it hog-tie you"

and adventures to me that I otherwise would have missed.

It took me a long time to learn to let my sense of humor take the reins. When I did, I began to overcome my handicap, in a business and professional way, and to enjoy life. I hope that my experiences may be of some help to the more than 1,000,000 Americans who stammer, or to those who have one of us as a business associate, or in the family. I might add that in the term stammering I include hesitating, stuttering, and cluttering up one's words.

Humor solves the problem

I DO not agree with those serious-minded souls who maintain there is nothing funny whatsoever in stammering. What they really mean is that stammering is a serious personal problem. I heartily concur. But what I would like to point out is that a sense of humor enables the stammerer to see his situation in its true light, and his anxieties then diminish or disappear.

Today we know a great deal about stuttering from the medical and psychological point of view.

However, the social problems the stutterer meets are much the same as they always were. Then and now most of the trouble lies in his own mental attitude. He must build up his own self-confidence.

When I was a boy, I strove to overcome my handicap, quite understandably, with deeds not words. I got by all right. I had as pleasant a time in school as any other boy.

I had a few knocks, but anyone has them. The methods I tried to cure my stammering were only partly successful because the authorities I consulted at the time really knew less than I did. Most of their theories have since been exploded, whereas I was at least on the right track.

Stammering caused me to extend myself early in life. My classmates in school never teased me beyond the normal amount. Later on they never teased me at all about stammering. There was a good reason for this. When I was 11 years old I learned how to box.

To help matters along, I spread the story that I sparred regularly with James Jeffries, then on his way to becoming the world's heavyweight champion. I was, in

fact, a boy's amateur champ at the old Reliance Athletic Club in Oakland, Calif., where Jeff was then working out.

After knocking his sparring partners about, he would get down on his knees on the floor. Holding his arms behind him, he would invite me to hit him, so that he could practice dodging his head to escape punches, or rolling with them. Whenever I tagged him, with all my 88 pounds behind a punch, he would laugh heartily, and urge me to hit him again.

But that wasn't the way I told the story.

Boxing gave me confidence in myself, and kept me from stammering as much as I had before I learned how to box. I decided that if this "medicine" helped me, I had only to increase the "dosage" to be cured.

At school, I went out for the junior baseball team, and became a steady if not brilliant pitcher.

I was too small for the football team, but I went on trips with the boys by becoming a small-time assistant manager, keeping track of the footballs, helmets, towels and gear. Once, because of some school-room deviltry, I was told that I couldn't accompany the team to Belmont, Calif. So my friends hid me under the blankets and baggage, and when the bus was well on its way to Belmont, out I popped. The boys began scuffling, and I was the object of their good-natured fun.

"Don't you monk-monk-kunk-monkey with me!" I shouted, and from then on I was known to all as Monk Kunk. It was a nickname of endearment, with no reproach. I knew I belonged.

Fear ridicule

IT would be gratifying to report that I rapidly cured my stammering through my own efforts, but such was not the case. When I went on to high school and was called on to recite, I would often say that I didn't know, rather than expose myself to what I feared would be the laughter of the class. It was all in my mental outlook.

On written quizzes I received high grades, but I lost ground on verbal recitations. At the time I saw nothing amusing or unimportant in my predicament—if I had, I would have been spared much grief. I studied harder than others to offset my handicap, and I received good grades, but that did not satisfy me.

When I was 17 I made an appointment with Professor F.

whose cures of stammering were reported to border on the miraculous.

His office, to my surprise, was in an old hotel in downtown San Francisco. He was a brusk little man of 70 who began by demanding of me in an authoritative voice, "Tell me, *why* do you stammer?" "I don't know," I replied, "I just do."

"There's absolutely no reason for it," he went on belligerently, "it's entirely mental. You will cease doing it from now on."

"Yes, sir," I said, "I want to, all right."

"You don't stammer when you sing, do you?"

"No, sir."

"Of course not. It's your m's and n's that are causing you the most trouble. They need not do so, but if you ever get stuck on a word, such as *not*—here's the secret—sing it, like this . . . no-o-o-t. That's all there is to it."

Trick cures don't work

WELL, I could visualize the effect on my future dental patients when I suddenly burst into song, so after 20 minutes of Professor F's scientific double-talk, I asked him how much I owed him. Fifty dollars, he said, and, not knowing any better at 17, I paid him.

But, I was wariest game thereafter. I had learned the hard way that quick or trick cures would not help me or any other stammerer.

Before attending dental school I worked in a wildcat gold mine in California. The manager of it had got his job as a reward for being a good drinking companion of the owner. One day the manager stopped all work and invited four of us to his office—a small clapboard shanty. Puzzled, the four of us arrived—a quartz driller, a rock-crusher operator, a hoist man and myself. The manager was sitting with his feet on his desk, calmly smoking a pipe.

"I just wanted you fellows to meet," he said, and began introducing us. Then I realized that all four of us stammered. The quartz driller was what I call a "snorter," the rock-crusher operator whistled, the hoist man was a "phutter," and I, the fourth, couldn't get anything out.

The mine manager thought that it was a terrific joke. He roared with laughter and slapped his thighs. I thought it was only mildly funny at best, but the quartz-driller "snorter," a husky six-footer, didn't think it was funny at all. He picked up the manager in his burly arms and threw him bodily through the shanty window—frame, glass, and all.

We then went back to our jobs—the jokester had got no more than he deserved and we were never bothered again.

While in grammar school and later high school, I had found a partial cure for my stammering by making myself one of the group,



"Don't you monk-monk-kunk-monkey with me," I shouted. From then on I was known as Monk Kunk—a nickname of endearment

giving to it, and receiving from it in return. I liked them, and I knew they liked me. But when I went to dental school I was faced with a new and uncharted situation. So desperately did I want to succeed, that all my difficulties returned to plague me.

A learned professor taught our freshman class, a fine man who stammered most peculiarly. He was well-mannered, always addressing the class, "Ga-hent-hent-hentlemen." Then off to the verbal races he would go, getting into the rails occasionally, but always pulling out to win, finishing strongly in the home stretch.

After a month of splendid lectures he had a quiz, and I was the first one called on!

The professor asked me a simple question, stammering as he spoke. I sat there, unable to say a word. The professor thought I had not studied his lectures. Off he started once more, addressing me, "Rah-rah-rah-Randol!"

He reminded me of a cheer leader. I smiled faintly as I thought of touchdowns, or shooting baskets from the floor.

A fellow sufferer

THE professor pointed a stiff finger and told me to stay in my seat after the quiz was over. He wanted to talk to me. I didn't reply; I couldn't. After class, he came over to where I was sitting dejectedly, and bellowed, "Why di-di-didn't you hanswer my qua-qua-question?"

I emitted a series of sounds like a streamlined locomotive coming to a stop. The professor's expression changed immediately to one of compassion and understanding.

"Wha-wha-why the hell didn't you tell me?" he stammered.

All I could say was, "H-h-h-how the hell could I?"

We became staunch pals. I received an "A" in the course, and was never quizzed by him again, but my written work had to be 100 per cent.

The dental course was a tough one, but I held my own with my classmates and made many new friends.

I learned that they were just as much afraid of flunking out as I was, and I relaxed. I eventually recognized what was obvious to everybody else except me, that when I stammered they were smiling with me and not at me, and that such action on their part in no way changed their friendly attitude toward me. Once more, I belonged. To a person who does not

stammer, it is hard to understand how overwhelming these fears can be.

Getting started slowly

EVERY professional man has a hard time getting started. During my first two years as a practicing dentist, my best month netted me \$81. I was discouraged, and I wrongly blamed it on my stammering. I was also very youthful in appearance, at 23, but of course, I didn't think so at the time.

I had ample leisure, so I used it to improve my work by assisting an Army dental surgeon. Dr. John Sayre Marshall was a brilliant man,

surgeon, from whom I learned a great deal, although he would try to stop my stammering by roaring at me, "Stop it, stop it!" This only made matters worse. The cure for stammering is not a matter of personal will or grim determination, as some misguided people think.

One day my best patient, a rancher, was in my dental chair. I stammered badly while trying to tell him about a new dental bridge. He finally lost his patience and said, "Doc, I don't give a damn if you have to write your words down. You do dental work I like. It makes no difference to me if you stutter, have flat feet or rob banks. So don't let it hog-tie you."



"It's entirely mental," the professor said. "You will cease doing it." He charged \$50. But I was warier game thereafter

then of retirement age, and an exacting taskmaster. When I started working for him he would examine the work I was doing for a soldier, and if he didn't thoroughly approve of it, would give me a boot in the pants.

After I had worked for him for some months, I mentioned that my father had been Colonel Randol—Dr. Marshall's commanding officer during the War Between the States. My name had made no impression on Dr. Marshall at first.

"My God, boy," he roared, "the Colonel was a fine man and a great soldier, but if I told him I could make a dentist out of you, he'd court-martial me for incompetence!"

However, after a few months, he said I was not entirely hopeless, and even complimented me sparingly. He was a brilliant dental

With that, he sat back in the chair, and opened up his mouth. I felt better. Gradually my confidence in my professional work helped me get over the same hurdle I had jumped over before. My stammering was no longer a handicap.

I found it best to put a new patient—and myself—at ease by saying frankly, "I stammer a bit but don't let it worry you. It doesn't worry me."

Nine out of ten persons will give you an even break, or better, and the exception is not worth bothering about, either for business or pleasure.

I made a serious effort to make myself agreeable to my patients and friends by reading up on their professions, hobbies or interests. I made it a point to amuse them with

(Continued on page 76)

The Lord is Her Business

By KEITH MONROE



A GENERATION ago, some of the more cynical nabobs of Wall Street used to have a standing wisecrack about the reason for their success. Whenever a dew-eyed debutante or a cub reporter inquired as to their recipe for business ascendancy, they replied firmly:

"Fasting and prayer."

It is only within the past few years, however, that a big-time business enterpriser has been found who really did get to the top by this formula.

Mrs. Vera Nyman of Glendale, Calif., who recently rejected an offer of \$1,000,000 plus taxes for her manufacturing business, is the outstanding example of this method of achieving prosperity. Start-

The Nyman plant, like others, was proud of its men in arms



"The people who get along in our company are the emotional kind," Mrs. Vera Nyman once remarked. A visitor is convinced when he sees the hallelujah-brother spirit that pervades the organization

Partner

STARTING from scratch and using prayer and good will as practical working tools, Vera Nyman has built herself a million-dollar business in the paint cleaner field



Fifteen years spent building a business together gives them plenty to discuss

more conservative administrator, but by all pragmatic tests they are highly successful.

Mrs. Nyman is a large and exuberant woman whose ringing voice and unabashed love for mankind would electrify any camp-meeting revival. En route to success in the grocery world, she survived 15 years of battering that might have put Job down for the count, yet remained always as radiantly optimistic as Aimee Semple McPherson.

She was married originally to a wealthy Texan, but whose death left her a penniless widow at 26. Undismayed, she buckled down to earning her living as a saleswoman in a Los Angeles dress shop. Two years later, in 1920, she met a thoughtful little Swede named Bernhard Nyman, and married him after a three-week courtship.

He was an atheist, but this did not repel his bride. In spite of her enthusiasm for religion, she follows a *laissez faire* policy, and has



A stream of bottles filled with cleaner fluid pours from the factory which grew from a lasting faith

ing in 1934 with capital of \$15, she has fasted and prayed her way into dominance over the paint-cleaner business throughout the western states, piling up gross sales of \$2,500,000 last year and making her company the talk of American grocerymen. The fasting was intermittent and involuntary, owing to her lack of lunch money for long

periods in the course of the rise of the company which she organized.

But the praying has always been a calculated part of her business methods, and is the greatest factor to which she attributes her miraculous change from a semi-starving housewife to a capitalist. The evangelistic methods by which she rules her company might startle a

never made any attempts at missionary work.

"You believe what you want, and I'll believe what I want," she told him blissfully. "I believe we're going to make millions of dollars and live happily ever after."

She kept on believing this during the years that followed, while Nyman's business as a traveling exhibitor of motion picture travelogues shrank and she found it necessary to go back to work.

"God forces us to accept the thing that promotes our growth," she declared.

What she was forced to accept was door-to-door selling. She took it with good grace, although when she rang a doorbell she hoped no one would answer. Whenever someone did answer, she cut loose with such a jolly and vehement sales talk that her profits usually were sufficient to buy groceries for two meals a day.

After several painful years at

and lost interest when she admitted it wouldn't.

"Why doesn't somebody invent a good paint cleaner?" they demanded. "Every woman needs one, but the stores have nothing like that."

Invented for a market

AFTER hearing this refrain from housewives for several months, Mrs. Nyman decided to rush in where chemists feared to tread. She would invent a paint-cleaner. "What kind of a cleaner do you need?" she began asking women.

It should be something that wouldn't flake the paint or dull its gloss, they told her, and wouldn't leave any film afterward. It had to be non-inflammable. If it could act instantaneously in cleaning soot from the wall behind a stove, and remove dirty fingermarks from woodwork, that would be lovely—yet it mustn't be so virulent that it

been taken care of—this once-wealthy woman would rattle through chemistry books and putter with concoctions until bedtime.

Inventing a paint-cleaner took longer than expected. In fact, it took five years. Each day when she fared forth with her glass-cleaner, she took along a few bottles of her newest paint-cleaning mixture, and tried it on the woodwork of any home that would permit a "demonstration." There were no dire mishaps, because Mrs. Nyman always began by trying the cleaner on a tiny patch of woodwork behind a stove, so the damage would be negligible in case the liquid ate away the wood or burst into flame.

Frequently, her cleaner made no inroads whatever on the encrusted soot behind the stoves. On days when this happened, she would cry herself to sleep at night—but the next morning, after a session with her Bible, she would bound out of bed as joyously as ever. By 1931, she had found 11 chemicals that could be cooked together and distilled into a blue fluid which met the specifications listed by housewives. During her demonstrations that year, she discovered that the fluid was cleaning 90 per cent of all painted surfaces on which it was tried.

New business at a bad time

IN February, 1932, she went into business. She and her husband began brewing large quantities of the blue liquid on the kitchen stove and storing it in barrels in the backyard. It was sold to housewives wherever possible. The date was not auspicious for launching a new product—old companies were going into bankruptcy on all sides—and the price of the first large batch of ingredients consumed the Nymans' entire savings. Mrs. Nyman, however, had prayed for guidance and was imbued anew with confidence. In house-to-house canvassing that first month, she sold 200 bottles of her liquid at 60 cents apiece.

In March, people began driving to the Nyman house from all over the Los Angeles area, asking for another bottle of the cleaning fluid they had bought the month before. So many visitors drove up at night and departed with bottles that the little house was reputed among neighbors to be a bootlegging joint. There were no less than 40 repeat orders in March from the 200 February sales. But the spring rains came, and sometimes for a week at a time, Mrs. Nyman was house-bound because she could not



Vera and Bernhard are sold on the idea of helping others, and it is not unusual for them to offer lifts to employees going home


the peddling of various commodities, from vacuum cleaners to spices, she decided to try selling an invention of her own, a window-cleaning mixture which she had developed by experiments in her kitchen.

Some women bought, but the elixir was not the vast seller she had visualized. Housewives asked her, "Will it clean woodwork, too? Will it clean my kitchen walls?"

would hurt hands or nail-polish. It shouldn't leave a strong odor—in fact, the women would like it to dissolve the cooking odors that seemed to impregnate kitchen walls.

Mrs. Nyman set herself to cooking up something that would comply with this outline. Every evening, after a day of climbing doorsteps and hawking her glass-cleaner—when the housework and meals had


Can You Answer These Questions About **CANCER?**

Q. Are we winning or losing the war  on cancer?

A. The news is good! The death rate from cancer of the stomach, skin, and mouth is going down. Among women the rate is being reduced for *all* forms of cancer.

Q. How is medical science  attacking cancer?

A. Doctors are treating more patients in the early stages of cancer when the chances of cure are greatest. Intensive studies are now being carried on to determine the causes of cancer and to develop new methods of diagnosis and treatment. These include research with hormones and experiments with radio-active substances and certain chemical compounds.

Q. What should *everyone* do about cancer? 

A. First, learn the *danger signals*. Second, when such warnings appear, *get medical advice immediately*, for there are only two ways of curing cancer: complete removal by surgery or complete destruction by X-rays or radium rays. It is estimated that 30 to 50 per cent of the deaths from cancer today might have been prevented by earlier recognition and prompt treatment.

Q. What are cancer's "danger signals"?

1. Any unusual lump or thickening, especially in the breast. 2. Any irregular or unexplained bleeding. 3. A sore that does not heal, particularly about the mouth, tongue, or lips. 4. Noticeable changes in a mole or wart. 5. Loss of appetite or continued unexplained indigestion. 6. Any persistent changes in normal habits of elimination.

Important note: These signals do not necessarily mean cancer. In fact, 88

out of 100 women who came to one cancer clinic proved *not* to have the disease. However, the signals do indicate that something is wrong which you should have checked by your physician. His examination will reassure you if cancer is not present, or, if it is, will permit prompt treatment.

To learn more about cancer, send for Metropolitan's free booklet, 106-P, "There Is Something YOU Can Do About Cancer."

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Frederick H. Ecker, CHAIRMAN OF THE BOARD
Leroy A. Lincoln, PRESIDENT
1 MADISON AVE., NEW YORK 10, N. Y.

TO EMPLOYERS: Your employees will benefit from understanding these important facts about cancer. Metropolitan will gladly send you enlarged copies of this advertisement—suitable for use on your bulletin boards.

afford an umbrella, coat or rubbers. The profit margin on each bottle was so small that any business analyst would have predicted a slow death for the enterprise; in fact, several financiers refused to invest in it.

Mrs. Nyman could not understand why so many women would watch her wipe away the smudges from their walls, gaze longingly at her blue bottle, then finally murmur, "No, I'm not interested." One evening a woman came to Mrs. Nyman's door and thrust a bottle of the fluid at her. "I want my money back," she said harshly. "Here's your paint cleaner. Give me my 60 cents."

This was the first time anyone had claimed the money-back guarantee on a bottle. Mrs. Nyman's lips trembled. "You mean—you mean you don't like it?" she quavered, and burst into tears.

Customers with little money

THE woman patted her shaking shoulder. "There, there, honey! Your cleaner's just fine. I only brought it back because I had to have the money. My husband isn't working, and there's no food in the house."

Mrs. Nyman dried her eyes, forced a smile as she paid out the 60 cents. She realized now why so many women wistfully declined to buy: they hadn't the money. So she began telling housewives tactfully, "If you don't care to buy now, I'll leave you my address in case you change your mind later." Then she would tear off a scrap of paper from a notepad (printed cards were too expensive) and scribble her address.

This homely stratagem doubled her sales. Women saved the torn slips and sent orders later. In a year or so Mrs. Nyman accumulated enough extra cash to get her shoes resoled, instead of padding them with cardboard each morning. By 1934, she was able to afford a coat. "I'll never forget how I felt when I'd scraped together \$29 and bought that coat," she recalls with a nostalgic smile. "My! When I put it on I thought I was Queen of the May."

Shortly after buying the coat, Mrs. Nyman emerged from prayer with the determination to open a factory. Once having determined something, she is hard to stop. She borrowed \$100 from a smiling, open-hearted money-

lender to whom she contracted to pay \$49 interest. Then she found an abandoned speakeasy that could be rented for \$30 a month. "I declare, it was a regular honky-tonk," she says. "You should have seen the pictures on the walls! But we took it anyhow." Equipment cost \$55, leaving \$15 for working capital.

Bernhard manned the factory and made deliveries, while Vera tramped the streets in search of new customers. That summer Mrs. Nyman had to pray harder than ever to retain her assurance of becoming a millionairess. There was so little money that she and her husband were skipping even more meals than usual. They gave up their home, moved into the little factory, where the vats of cleaning fluid simmered all night. They would have slept more comfortably in the steamroom of a Turkish bath. Many nights the thermometer on the wall stood at 140 degrees. Trucks thundered by, shaking the building as they passed.

In this modernized purgatory, Bernhard lost his atheism and adopted his wife's buoyant faith in their destiny. Each morning they read the Bible together. When Christmas came he had enough money to buy her a tiny bottle of drugstore perfume. Both were sure that this was an omen of better days, because on previous Christmases they had been too poor to purchase presents.

Stores helped promotion

THE next year a few department stores and groceries began to put the paint cleaner on their shelves. One department store finally offered to pay half the cost of a small advertisement for the cleaner, and the Nymans accepted. The ad pulled 96 buyers into the store, so more ads speedily followed. Suddenly other department stores wanted demonstrators for the

paint cleaner. Big grocery chains began asking for it. Wholesale jobbers offered to add it to their line in other western cities. So, in 1935, after personally selling 50,000 bottles of her cleaner in woman-to-woman contacts, Vera Nyman stopped ringing doorbells.

The sales total was \$18,000 in 1935 and \$50,000 in 1936, but the Nymans never seemed to get ahead financially. In obedience to what they felt was divine inspiration, they kept plowing profits back into advertising. Moreover, they had a habit of donating heavily to the church; and Mrs. Nyman had become acquainted with several old ladies who were subsisting on small pensions, and she sent money to them every week. So the company's profits remained nearly invisible. "Shucks, what do we care?" she said gaily. "If we're right with God, then God will help us."

Advertising paid out

IN 1937, Mrs. Nyman signed up for a series of radio programs to advertise her paint cleaner throughout the area. The cost of the 13 week series was \$6,000 and she had only \$300 in the bank, but she signed anyway after appealing to Heaven for guidance. Shortly after the series started, a strike closed all grocery stores in San Francisco, the company's second best sales territory.

"Better cancel the program," her advertising agent advised nervously. "Another week will put you into bankruptcy."

She took her Bible from her desk. "Come back in three days," she instructed, "and I'll give you my answer."

She spent the three days alone in her office, reading psalms and praying. When the agent returned, she told him to keep the program on the air. He demurred, but Bernhard advised him, "Better do as she says. I found that out years ago."

The next morning a supplier telephoned with the news that Mrs. Nyman had overpaid him by several hundred dollars, through a monumental clerical error, and that his refund check was in the mail. A few days later other news came in: the radio program was pushing sales so unexpectedly high in Washington and Oregon that the San Francisco losses would be offset. Shortly afterward the San Francisco strike was (Continued on page 98)





"I'm all over the map at once"

"IT certainly keeps me on the go . . . my job of distributing equipment and supplies to the Bell Telephone companies throughout the nation.

"Right now I'm busier than ever . . . delivering telephones, switchboards, cable and countless other kinds of apparatus and supplies. They're all needed for the Bell System's construction program of more than \$2,000,000,000 . . . to give you better-than-ever telephone service.

"I maintain 29 distributing houses at strategic locations, where I keep some 10,000 different items in stock . . . and where I also repair telephone equipment.

"And that's only part of my job. I'm *manufacturer* and *purchaser* for the Bell System . . . and I *install* central office equipment.

"Remember my name . . .

"It's Western Electric."

MANUFACTURER... PURCHASER...

of 43,000 varieties of telephone apparatus.

of supplies of all kinds for telephone companies.

DISTRIBUTOR...

of telephone apparatus and supplies.

INSTALLER...

of telephone central office equipment.

FOR THE BELL SYSTEM



Western Electric

Have You Fed Your Rats Today?

By HERBERT COREY

EIGHTEEN dollars per rat is the average cost to the country of its 280,000,000 rats through disease and destruction



U. S. PUBLIC HEALTH SERVICE

TEN rats to each frying pan.

That has a horrid sound. Everything about a rat is horrible. If there are five persons and one frying pan to each family and two rats to each person—authoritative estimate—the figures work out that way.

Except that it may be an understatement. No one really knows, for all the brilliant guessing by the scores of high-level scientists who make rat study their life work. The rat is not only the most dangerous animal on the American continent in his over-all relations to man—he spreads disease and destroys the food and crops we need badly—but he is the craftiest. He bypasses traps and sniffs at poison.

One breed prefers to live underground in cellars and burrows. Another takes to treetops and roofs. A third makes its home, metaphorically speaking, under high-boys and wastebaskets. Every man's hand always has been against him. But with all this, there are more rats in the United States today than there were ten years ago.

He has been able to maintain a flourishing colony in the cellars of the White House since Jefferson's time. A recently published magazine article notes that Margaret Truman, daughter of the President, feared the rat residents of her new home. One of the great department stores of the capital

regards as its best bargain the \$25 a month rent it pays for a burlesque device which tickles electrically the hindquarters of a rat wandering innocently down what seems to be a wire alley until in his hysteria he runs head-on into what convicted murderers call the hot squat.

District fights rats

FOR years the District of Columbia has been trying to cut down the rat total because of the high annual cost of rats to the District, its business men and its householders.

Brother Rat was so strongly fortified in four old buildings owned by the District that the four were ordered blitzed. It was less costly to tear them down than to ratproof them. There are cases each year of District babies being bitten in their cradles.

Some of the District rats harbor fleas carrying the infection of typhus, which is a disease we Americans always have thought of as confined to the quote teeming millions unquote of the East. The most improbable thing that could possibly happen would be an outbreak of typhus in the two Houses of Congress. As a class, congressmen bathe frequently and sleep in clean beds. In a word, they do not teem. It is a fact, however, that there are rats in the Capitol's cel-

Rats Spread Plague ...

Destroy Food ...

Start Fires ...

Destroy Property ...



WANTED: FREIGHT CAR STRETCHERS

We've never seen one—but they'd be mighty handy right now. There's a record-breaking harvest now being moved by the railroads. Industrial production is rising. There just aren't enough freight cars to move all the traffic as quickly and efficiently as we'd like.

During the war, the railroads couldn't obtain all the new cars they needed. Even now, material shortages and other difficulties are holding up freight car construction. And an ever-increasing number of freight cars are wearing out due to heavy wartime service.

The average freight car load has decreased in the last year. More cars are carrying less-than-carload lots. And the adoption of the five-day week by many industries has increased the time that cars stand idle waiting to be loaded or unloaded.

If the average time it takes each car to handle a load could be reduced by *one day*, it would add the equivalent of 100,000 cars to the nation's supply. Railroads are striving to reduce this "turn-around" time by speeding up the hauling, switching and repair of cars wherever possible. Shippers and receivers of freight can help stretch freight cars by loading and unloading them at *least six full days a week*.

Working together, as they did so successfully during the war, railroads and shippers can overcome these shortages and avoid business losses.

•
FREE! Write to Room 946, Transportation Bldg., Washington 6, D. C. for your copy of the booklet
TRANSPORTATION — A POLICY FOR THE FUTURE.

ASSOCIATION OF **AMERICAN RAILROADS** WASHINGTON 6, D. C.



IN PARTNERSHIP WITH ALL AMERICA

lars. Not, perhaps, as large as cats. That simile is a loose figure of speech. But there are plenty of rats and the Capitol is so near the civic center of typhus that typhus-bearing fleas might conceivably desert their rat hosts for a shot of better blood.

If these statements seem to reflect upon our National Capitol they are being misread. At least 100 of our larger cities are carrying on vigorous and probably shivering campaigns against rats. Chicago's open garbage dumps are being given editorial attention because they provide ideal rat harborage, meals at all hours. Baltimore is doing an effective job of rat riddance.

A block at a time

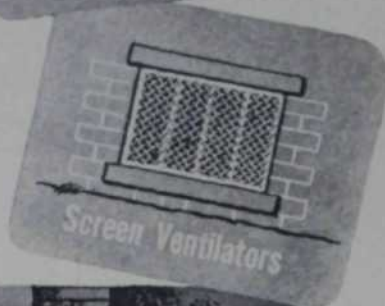
NEW Orleans gives what might be called block parties. A block at a time is deratted, the vents stopped.

A rat apparently has an objection to crossing an open street, and the reformed block is bare of anything that looks like a home for him or smells like food. Jacksonville, Fla., does much the same thing.

The U. S. Public Health Service maintains regional headquarters in Atlanta, Ga., from which rat-fighting instructions are sent to interested persons throughout the South. Typhus is the thing the South fears. Not so long ago sci-



Cover Floor Holes



Screen Ventilators



Lay Concrete Floors



Install Metal Flashing



U. S. PUBLIC HEALTH SERVICE

When these Public Health inspectors finish fumigating this ship with hydrocyanic acid, there will be no more live rats or rodents aboard

entists had to go to the Big Bend country in Texas to find the typhus flea on his rat partner. Now the active pair has worked up to the Tennessee line.

Several years ago bubonic plague broke out in San Francisco, having been brought in by rats from the far East. Now the plague line reportedly has moved eastward until it has reached the Dakotas.

Rat Week proposed

IT HAS been suggested that we, as a people, should inaugurate an annual Rat Week. The weakness of the suggestion is that with our accustomed volatility we would forget all about rats on the eighth day. A scientist of international renown—Dr. Ernest Schwartz, now a visiting scholar at the Smithsonian Institution—favors a sweeping, coast-to-coast, coordinated crusade. Turn the full 140,000,000 of us loose on the rats. There are, of course, practical, political and mechanical difficulties to none of which Dr. Schwartz is blind. But the possible cost of \$200,000,000 would be saved in a relatively short time.

Nothing is more costly to keep up than a rat. Many small grocers estimate a monthly loss by theft and spoilage of \$50 on the average. Most small grocers keep their premises clean. So do most small restaurant keepers. A pie-baking concern was fined and closed after an outbreak of illness was traced to the bakery's residential rats. The premises were cleaned, the license renewed, the rats moved in, and the place was closed again.

Dangerous to neighbors

THE owners seemed to think they were being discriminated against. They seemed unable to understand how dangerous the rat is to human life.

The pessimists observed that, even if a nation-wide campaign were started, not all the rats could be wiped out. Here and there rat brides would be peeking at their bridegrooms with their beady bright eyes. A rat mother who takes a real interest in progeneration often produces nine litters a year. Maybe not often, but she can give birth to 12 litters a year, averaging nine ratlets each—22 at one birth is the continental record—and they in turn can become producers before they are four months old.

Assuming that nothing interferes with the natural processes,



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YOU SEE
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NATIONAL BANK OF DETROIT

is a large user of all types of Burroughs bank machines. Pictured is a small part of the main office installation of sixty Burroughs Bank Bookkeeping Machines.

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Burroughs**

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IN COUNSEL
IN SERVICE

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the number of rat descendants from the original pair is geometrical. The original mother rat probably will live to be four years old before she succumbs to the fatigue of maternity. The best current information is that there are two rats to each person in the United States. That would be 280,000,000 rats, and if every other rat were a vigorous mother that would be 140,000,000 times nine litters a year of nine rats to the litter—

Which, obviously, simply isn't so.

Before the war it was estimated that there were 130,000,000 rats in this country. The war was made to order for rats. Manpower was so reduced that few people bothered with them. Our habits were so changed that rat food was available everywhere. Workingmen threw away the remnants of their sandwiches. Freight yards and docks abounded in broken food packages.

Not long ago the Tacoma docks were completely done over. No one had had time during the war to do any of the clean-up jobs that every one knew had to be done. Not less than 1,000 brand-names of rat poison had been on the market, but many poisons were restricted during the war. A rat poisoner probably had been paid three to five dollars a day before the war. He had gone into the munitions works. The estimate that there are now two rats to the person is regarded as conservative.

What it costs to keep a rat

NOT to speak of whatever contribution to the rat population she may have made, the rat mother we have been talking about will, at the time of her death, have cost the people of the United States about \$18 in cash money. As broken down by the students that \$18 cost for the four years is as follows:

Four years' food at \$2	\$8
Four years' waste and destruction	\$8
Anti-rat fights, perhaps	\$1
Loss by rat-borne diseases, about	\$1
Total	\$18

These figures are not to be relied on. No one knows the facts, but they are not regarded as excessive. In Atlanta, Ga., which is headquarters for the fight against the typhus rat, the U. S. Public Health Service said in an official brochure:

"The average rat bill for our community may be estimated (for food and wastage) at an average of \$20 per person."

Take the lower estimate of \$18

per rat and multiply that by 280,000,000 rats and you have money enough to pay much of the costs of government, when and if government returns to fiscal sanity. Maybe they are not accurate. But these figures are to be found in official publications which appear to be sound. Among the publishers are the National Research Council, the Treasury Department, the Fish and Wild Life Service of the Interior Department (heir of the rat activities formerly carried on by the Commerce Department and the Agriculture Department), the Public Health Service and various international organizations.

Consider the rat menace

AT LEAST two international conventions have been held to consider the menace of the rat. In the National Museum is an exhibit containing specimens of the rats of every nation on earth—an incredible number. The carefree methods of those who sail the seas have been cleaned up, so far as the United States is concerned, and ships which enter our ports nowadays either have been built to rat-free design, or remodelled so that rat harborage have been eliminated. Otherwise they are sent to a marine hoosegow for fumigation and deratting. But, of course, rats get on board. If there is a hiding place the size of your hand on one of these ships, rats will find it and go to sea.

The U. S. Public Health Service is proud of what it has done for the ships and seafarers. But it would not bet a campaign button that tomorrow might not bring a report that rats from every plague-infested port on earth were sailing in our direction.

The miracle P.H.S. inspectors pull every time an infected ship is fumigated, and which continues to astonish even the old barnacle-backs who see it, is giving the number of rats on board a given ship. Whether it be three rats or 100 the inspectors seem able to call the turn.

The same marvel is not often produced on land because of the scattered facilities offered. But the inspectors can at least guess.

"I went into one of the finest and most costly hotels in the South," said one. "The feminine guests were lit up with diamonds like the Arctic skies. The men wore silk shirts and smoked dollar cigars. But the hotel hummed with rats. The basement was full of hiding places and food."

These same inspectors note sour-

ly that rats can also stow away on planes.

In the technique of the business a hiding place is a harborage. An in- or out-hole is a vent. Vent stoppage is the closing of these holes. Deprive a rat of his accustomed holes and his food and he will move out. He is encouraged to move fast by the use of cyanide dusting and an infinite number of poisons. Our American frenzy for cute names has broken out virulently in the poison nomenclature. As yet no poison has been named ratty-bitey, but it probably will come.

One of the newest is 1080, developed in laboratories at Baltimore. It is odorless and tasteless and the rats leap to it like tired men to beer, then die almost immediately. The drawback is that it is dangerous to humans, can be handled only by trained men. Another is Antu, which likewise knocks rodents cold, but to which the rat unfortunately is able to set up immunity if he does not get a knockout dose the first time.

The late Prof. E. D. Lantz of the U. S. Department of Agriculture estimated that rats have caused more human deaths than all the wars in history. The toll of rat-borne diseases is in the millions. Americans do not really fear typhus or bubonic plague, unless they happen to be in affected areas. But there is no question that, given favoring conditions, they might become epidemic in this country.

Other rodents cause damage

RATS often are assisted in their work of carrying disease by other rodents, such as ground squirrels, marmots and the like. There are 1,300 kinds of rodents in North America, and even if 95 per cent of them have so far been harmless, the others offer ever present danger. It is not definitely charged that the spread of the polio epidemic is chargeable to rat fleas, but this is regarded as possible.

The actual out of pocket loss for which rats are responsible is incalculable. They gnaw through insulations and fires result. No one knows what the annual loss is in millions. They undermine dams and foundations. The direct and indirect loss by rat damage in this country has been estimated at \$700,000,000 annually. Great Britain reports an annual loss of \$500,000,000. Incidentally, London was regarded before the war as the most rat-haunted city in the world, but the blitzes which destroyed hundreds of acres of its

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NOW for the first time every business—every industry can use modern, money-saving material handling methods at new low cost.

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With all the advantages of the famed Transporter that moves any kind of material with amazing "touch-of-your-thumb" ease, Transtacker now gives you an electric hydraulic lift that stacks your product at new heights to increase storage capacity. With finger-tip control it lifts up to 4000 pound loads in a matter of seconds... smooth, controlled lowering speed for utmost safety. Mail coupon for facts.

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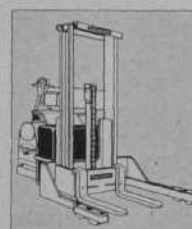
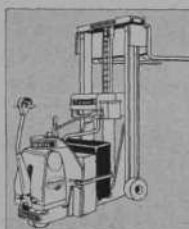
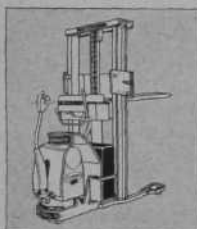
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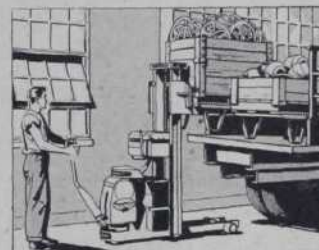


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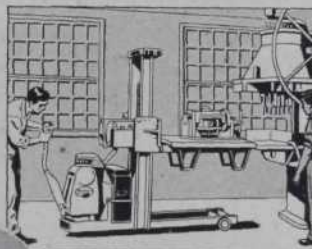
FINGER TIP CONTROLS LOAD

Cartons, crated goods, hard-to-handle material—one man or girl hauls, lifts and stacks to full storage heights.



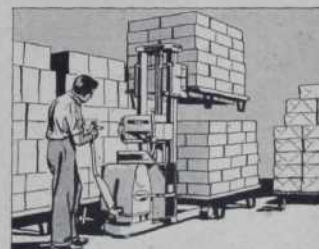
ENORMOUS SAVINGS IN SHIPPING

Pick up merchandise from ground level and deposit it on truck or trailer. A three-man operation becomes a one-man operation.



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When heavy machine parts must be lifted to working height, let Transtacker safely lift it and place it.



ENDS BACK-BREAKING HANDLING

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- 5 Gives you extra storage space without added cost.
- 6 Lifts and stacks product from ground level to trucks and trailers.

Transtacker
A PRODUCT OF AUTOMATIC

Lightens
LIFE'S LOADS

AUTOMATIC TRANSPORTATION COMPANY

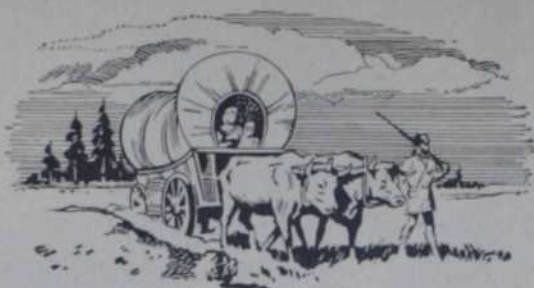
DIV. OF THE YALE & TOWNE MFG. CO.

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From Ox Team



To Rocket Ship...

IN the Pacific Northwest, the wilderness has been conquered. Within a single lifetime, forests and deserts have been replaced with fertile farms and busy marts of trade.

Today Washington, fourth state in the nation in percentage of growth of population since the turn of this century, is also fourth in per capita buying power . . . a market worth considering.

Serving the financial needs of this prosperous state—with banking that is helping Washington grow—the Seattle-First National Bank offers its state-wide facilities for the assistance of new business and the expansion of established lines. With 40 banking offices strategically located throughout the state, it is now the 23rd bank in size in the entire United States and the largest north of San Francisco and West of Chicago. Inquiries about business opportunities in this prosperous Pacific Northwest will gladly be answered.

Member Federal
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SEATTLE-FIRST NATIONAL BANK

Main Office—Seattle
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worst tenements may in the end prove to have been a blessing.

We are likely to think of food thefts by rats as confined to small groceries, in which cartons of cereals and the like are attacked nightly. This is perhaps only the most readily seen evidence. No rat is content merely to satisfy his appetite when he goes out eating, but destroys perhaps 20 times as much as he devours and injures much more by the infection of his presence. In fact, the farm losses are infinitely greater.

Heavy damage to farm crops

GOVERNMENT experts dust 25,000,000 acres of land yearly with poison at a cost of \$3,000,000—and it is worth it. Flathead County in Montana took a \$54,000 loss in one year by ground squirrel depredations and is only one of hundreds of counties. Ground squirrels, which are rodents as much as are rats, do \$30,000,000 damage to California farmers each year. In Texas, 400,000,000 prairie dogs eat enough grass to support 3,000,000 head of cattle, and they are rodents, too.

A federal estimate puts the normal annual damage by rodents at \$300,000,000.

Rats and mice overran part of Kern County, California, in 1927. At the height of the invasion there were 2,000 rodents to each acre of ground. The guano interests are planning a campaign against the rats that are eating the eggs and young birds. Australia plans to use America's rat killing poisons to fight the rabbits that are destroying her ranches.

As of this date the rats seem to be ahead. Another war would be made to order for them.

Employment of the Handicapped

PRODUCTION has reached a new high. Employment in America is greater than ever before. Yet most industries—from building and construction to the service trades—are scanning the market for manpower.

One source of additional manpower is our more than 2,000,000 disabled veterans of World War II, only one-fourth of whom are now employed. Another 250,000 are able and want to work if jobs can be found for them. Still to be discharged from the services and

hospitals are at least 1,000,000 more.

To call the attention of business men and other community leaders to the employment possibilities of these veterans and other disabled, President Truman has approved the designation of the first week in October each year as National Employ the Handicapped Week. This year it is October 6-12.

Many large business and industrial firms such as General Motors, International Business Machines, Aluminum Company of America and Bulova Watch have already shown themselves sympathetic to the employment of the disabled and have developed intensive programs.

Some small businesses employ physically handicapped workers—and successfully, too. The size or nature of the establishment seems to have little to do with the problem. There is ample evidence to show that disabled workers, when properly placed, make good employees.

Production is good

THE Bureau of Labor Statistics has compiled a report comparing the productive efficiency, absenteeism and stability on the job of more than 10,000 workers in 47 different plants representing a score of industries.

Impaired and unimpaired workers were matched according to age, sex, experience on the job and the kind of work being performed. The rate of absenteeism was identical for both groups:

Each lost 3.8 days per 100 work days. In average performance the groups were again evenly matched. The impaired group had a two per cent lead. And the impaired enjoyed a lower rate of labor turnover.

In a survey conducted by the Veterans Administration among plants employing disabled workers, nearly 66 per cent of the firms covered rated disabled workers fully as efficient as physically normal workers. Approximately 24 per cent contacted rated them better than average. Only ten per cent reported them as being below average.

Of significance is the fact that the physically handicapped have a lower accident rate than other workers.

A private survey by an eastern university shows that selectively placed disabled workers lost 14 hours per million man-hours of work while the unimpaired lost 20.

—WILLIAM W. OWENS



HOW TO KEEP AN ENGINE WARM... ON ICE

YOU KNOW the difficulties in starting an automobile engine on a cold day—what, then, enables this ice-bound fishing vessel's engine to turn over instantly without coaxing, fussing or strain? What magic keeps the engine oil from freezing?

The answer is in a small, compact instrument developed and manufactured for the Government during the war—*exclusively* by Cities Service.

It is the Oil Immersion Heater . . . so small you could hold it easily with one hand. Inserted into the oil tank of any internal combustion engine and supplied with current from a battery, it operates automatically . . . circulating and warming the engine oil until the required protective temperature is

reached. Then it shuts itself off until the process must again be repeated.

Thus, though the engine is idle—it is warm. And a warm engine in cold weather means safety, savings and comfort whether your business or pleasure is fishing, flying or driving.

These amazing little Oil Immersion Heaters are now serving in the efficient cold-weather operation of Diesel locomotives, bulldozers, cranes, tractors, trucks and other outdoor equipment; in Coast Guard vessels, motor boats and fishing fleets.

Helping to make petroleum products work better is reflected in the many patented instruments developed and produced by the 50,000 skilled men and women in the Cities Service family.



CITIES SERVICE service is our middle name OILS

Sixty Wall Tower, New York

Arkansas Fuel Oil Co., Shreveport, La.

Washington Improves Its Mind

(Continued from page 49)

congressional committee had studied the turnover of men and women of professional and technical training in the Government, particularly the Department of Agriculture. Industries and the universities were pulling them away, not only because of the higher salaries offered, but because of the lack of advantages in Washington to pursue learning in their respective fields.

The committee recommended that a school on the order of that long operated by the Bureau of Standards be provided. It started off with some 300 students, maintained that size for a few years and then its enrollment began steadily increasing. The Bureau of Standards still operates a graduate school for some 150 students but it has come to be pretty much absorbed by Agriculture's school. The latter has attracted attention among educators throughout the country. In addition to its graduate work it provides some work for undergraduates who need a few more credits for the higher learning.

Many teachers available

THE 110 courses given by the school are conducted by a faculty of about 140 members. Two thirds are recognized specialists from the government service who through previous experience on university faculties are seasoned classroom teachers. They are supplemented by prominent visiting scientists and scholars. Other instructors are drawn from the faculties of nearby universities. They are all paid from the revenues of the school raised from tuitions. The school has an annual budget of \$60,000 a year and \$100,000 laid aside for a rainy day.

The students can get courses in the biological, physical and social sciences, engineering and mechanical arts, languages and literature, mathematics and statistics, office techniques and operations, and public administration. Young men and women with scientific training, starting off in the department at \$2,000 or \$2,500 a year, steadily raise their incomes by attending the school to \$5,000 or more a year. The school

gives no degrees but it does give credits which many of the country's leading universities including Johns Hopkins, Columbia, Cornell, Harvard and Yale recognize in awarding doctor's degrees. Usually only a year's residence must be spent in the accrediting university. Administration of the school is invested in an administrative council named by the secretary of agriculture. The director at present is Dr. Elden L. Johnson. The moving spirit in the school down over the years, and its director until a few years ago, is Dr. Albert F. Woods. Now, at the age of 79, he is director emeritus and educational adviser. He came to the school in 1926 from the presidency of the University of Maryland.

Georgetown's foreign service

ONE of the most outstanding foreign service schools in the country is that conducted by Georgetown University. It was established in 1919, the inspiration of Father Walsh, the dean, widely known as an expert on international affairs. He returned recently from Nuremberg where he was an adviser in the German war crimes trials. A course in business and public administration to give knowledge of "what government is attempting to demand from business, and of what business is attempting to obtain from government," was established in 1936.

Until 1929 the Foreign Service School had only night classes. Subjects include business, interna-

tional shipping and consular and diplomatic work. Five years in the night classes is required for a degree of Bachelor of Science in Foreign Service.

Graduation from high school is required for admission. If the graduate desires to pursue a consular or diplomatic career, he must pass the rigid State Department written, oral and physical examinations. It is estimated that out of 600 graduates of the various foreign service schools taking these examinations, not more than 100 pass.

Special training by State

THOSE who pass are entered as foreign service officers unclassified at \$2,500 a year plus allowances and sent out to a station on this hemisphere. After from three to six months at this station they are brought back to Washington for an intensive eight to 12 weeks' course in the State Department's school. Then they become vice consuls. They can attain the rank of consul general, and occasionally one becomes an ambassador. At the outbreak of World War II, a fourth of Georgetown's graduates were in the consular and diplomatic service.

The great majority of the students are seeking careers in international business. In this field, a youngster with his B.S. degree will likely enter the clerical department of a firm, be moved around from one department to another until the personnel director observes where he is best fitted. Then he is headed for a salary in the five figure class. Several now attending the Georgetown school were students during the war at the Merchant Marine Academy at Kingsport, N. Y. Commodore R. R. McNulty, commandant there, is a graduate of the Foreign Service School. The youngsters feel that they have attained a training in the handling of men and ships and, with their Foreign Service School training, they should be valuable to international shipping lines.

Another busy place is the School of Accountancy of Columbus University—which also has a law school. The university was established in 1919 with money left over by the Knights of Columbus from its war entertainment funds. It was established to give instruction to veterans in such sub-



Jim Smith's Son

COST JIM'S EMPLOYER

\$4,109¹⁶

Jim Smith's son was born last week. He cost Jim's employer over \$4,000.

Jim has had pretty heavy expenses lately. His little girl was taken to the hospital three months ago for an emergency operation. Now, the baby. Jim has worried a lot about the doctor and hospital bills.

Yesterday he had an accident, because his mind wasn't on his work.

Workmen's compensation insurance will pay Jim's doctor and hospital bills. It will pay his weekly compensation benefits. But it will not pay him for his suffering. Nor will it pay for the damage to the machine or the material spoiled. That will cost his employer \$4,109.16—which does not include the time lost by dozens of other men who saw the accident, stopped to talk about it, and will worry about it for days afterwards.

Employers Mutuals write:

Public Liability . . . Automobile . . . Plate Glass . . . Burglary . . . Workmen's Compensation . . . Fidelity Bonds . . . Group Health, Accident, Hospitalization . . . and other casualty insurance . . . Fire . . . Tornado . . . Extended Coverage . . . Inland Marine . . . and allied lines of insurance. All policies are nonassessable.

Branch offices in principal cities. Consult your local telephone directory.



This Complete 24-Hour Protection Provides Peace of Mind for Your Employees

To supplement your workmen's compensation insurance, Employers Mutuals of Wausau provide for complete 24-hour protection for employees and their families through Group Health, Accident, and Hospitalization insurance.

This plan can be tailored to your requirements. It can give varying degrees of protection to various types of workers, as desired. It assures you, and your employees, that they are protected—on or off the job, for 24 hours a day—freed from worry about medical, surgical, and hospital bills for themselves and their dependents.

Peace of mind is the greatest single contribution you can make toward the efficiency of your employees. With it, they work better and produce more; the accident rate drops, and with it the cost of your other insurance.

Investigate this plan now. Call the nearest Employers Mutuals office, or write Insurance Information

Bureau, Employers Mutuals of Wausau, Wausau, Wisconsin.

HOW Employers Mutuals of Wausau Make Insurance Understandable

Because of the serious loss that may arise from lack of understanding, Employers Mutuals endeavor to make insurance understandable, through:

... representatives trained to help the buyer understand his insurance;

... insurance survey service, which provides policyholders with an analysis of their insurance coverage—what they have, and what they need for full protection;

... an advertising program dedicated to giving information about insurance;

... A Dictionary of Insurance Terms—How to Understand Insurance and Buy It Intelligently. Over 200 words and phrases defined in simple ABC English with examples of specific applications. Write for your free copy. Address: Insurance Information Bureau, Employers Mutuals of Wausau, Wausau, Wisconsin.



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EMPLOYERS MUTUAL LIABILITY INSURANCE COMPANY OF WISCONSIN

EMPLOYERS MUTUAL FIRE INSURANCE COMPANY

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Your Son Knows Kansas Labor



From every theater of war . . . and from every branch of the service, men have come home who know what Kansas-made products meant to them. The mighty B-29 bombers; bombs and munitions; Liberty ship boilers, boiler bases

and major assemblies; tentage; canned meats and rations; training planes of all types; chemical products; stoves and lanterns; DDT Bombs; clothing; tires; parts for jeeps, trucks, tanks and cars; building and construction materials—in all nearly 4-billion dollars worth of war materials that helped bring them through to Victory. Yes, your boy knows that men, women and boys from Kansas farms, villages, towns and cities moved into factories and established production records that have never been equalled or excelled by any other state.



this is
significant

Nationally accepted mechanical aptitude and intelligence tests given thousands of job applicants showed these amazing results: 71% passed with scores higher than the average in recognized industrial centers; 28% of all applicants passed the intelligence test for foremen; 15% exceeded the accepted average for Engineering freshmen.

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the brochure

Let's Look Into Kansas

Ask for it
on your letterhead



KANSAS INDUSTRIAL DEVELOPMENT COMMISSION

WILLIAM E. LONG, Secretary-Director
805-A Harrison Street Topeka, Kansas

KANSAS

*** REALLY**

MEETS INDUSTRY HALFWAY

jects as English, history, public speaking, shorthand, psychology and auto mechanics. As the left-over funds were exhausted it was placed on a tuition basis. Leo A. Rover, a government prosecutor in the famous Teapot Dome trials, was long a prime mover in the school. Its current president is William E. Leahy, one of Washington's most prominent trial lawyers.

Two of Georgetown's night law school graduates who have made their mark are John A. Reilly, president of the Second National Bank of Washington, and his brother, James F., an associate of Leahy's. Established in 1870, the Georgetown Law School, whose regent is Francis E. Lucey, S.J., is one of the most exacting schools in the country. A college degree is required for admission and it takes four additional years at the night school to graduate in law. The other Washington law schools require two years of college or the equivalent and a night school student can get through law in three years.

Largest is G.W.U.

GEORGE Washington University has the largest student body of the universities, around 8,200, of whom half are part time or night students. Chartered by Congress in 1821, George Washington has eight major buildings, total property holdings worth nearly \$9,000,000. Now under construction is a 400 bed hospital to cost \$3,000,000, and its postwar plans call for ten new buildings. Out of some 2,000 students attending night classes at American University, about 50 per cent are doing graduate work.

Probably the only school of its kind in the country is the Lewis School for Hotel Training. Here men and women are trained in duties for all the multiple positions in a modern hotel. Its trainees have been placed all over the country. And there are night classes where, if one aspires to be a radio broadcaster or a commentator, he may receive training.

None of this, of course, is any comfort to a citizen who has tried to bludgeon his way through a government pronouncement which had much in common with a bad translation of a faded page of Sanskrit and who is likely to agree with George Santayana that "The great difficulty in education is to get experience out of ideas."

But it does show, at least, that, whatever Washington's faults, unwillingness to learn is not one of them.

Kimpak^{*} Float Packaging



★ Guards Liquid Shipments

Thick, resilient KIMPAK Creped Wadding fends off shocks that shatter fragile bottles. And in case of leakage, there are KIMPAK types that will absorb up to 16 times their weight in water within 30 seconds! Liquid or solid products ship more safely in KIMPAK.

Photo Courtesy D. A. Lubricant Co., Inc.



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Cloud-soft and clean, KIMPAK protects the most highly finished surfaces against press-marking, scratching, rubbing, marring or other damage in shipment. One important reason why much of America's finest merchandise goes to market in KIMPAK.

Photo courtesy Zenith Radio Corp.



★ For Every Interior Packaging Method

Whichever basic interior packaging method you use—blocking and bracing, flotation, absorbent packaging, or surface protection—you'll find that KIMPAK Creped Wadding can do the job you require better, faster and at lower cost.

Photo courtesy Yale & Towne Mfg. Co.

We are producing all the KIMPAK we possibly can, but, due to the great demand your distributor may have some difficulty in supplying you immediately.

An illustrated booklet on KIMPAK "Float Packaging," is now available. For your free copy, see your KIMPAK Distributor or mail a postcard to Kimberly-Clark Corporation, Creped Wadding Division, Neenah, Wisconsin.

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CREPED WADDING

*KIMPAK (trademark) means Kimberly-Clark Creped Wadding

VENUS VELVET PENCILS ARE STRONG

because
the
lead
is...



This means that the lead is actually bonded to the wood. You can't buy better office pencils!

And now... pre-war, real rubber erasers are back!

VENUS

-by the makers of the famous VENUS Pens

AMERICAN LEAD PENCIL COMPANY



A Good Wormy Business

WOULD you like to get by by just puttering around the ground for three or four hours a day?

Well, you can do it. There are about 200 persons in Maine making a nice living all year round by digging a few hours a day, and there is room for more.

The main thing about it is this: You mustn't be squeamish about worms. Because catching them is the object.

The whole thing may seem a little queer, but the Maine worm business is substantial enough. An average of 10,000,000 sandworms and bloodworms—the two principal types—are caught annually and sold to salt water fishermen hundreds of miles away. Right now fishermen pay as much as five or six cents apiece for these worms, and the worm industry does better than a half-million-dollar business annually.

Small investment

YOU don't need much capital investment either to be a professional worm digger. A hoe, a bucket, a pair of boots in the winter and canvas shoes in the summer, a license and a willing back are all that are needed to earn a good day's pay.

Instructions have been written for the art of worm digging, but the best way to learn is to go ahead and do it. To be a successful worm digger, you just go out in the mudflats day after day and keep turning over the mud and picking up the worms. A fair-to-middling digger will average 300 to 400 worms per tide. It is not at all uncommon for a good digger to earn \$100 a week.

Maine's Department of Sea and Shore Fisheries hints broadly that there is room for more people in the worm business. Most of the

worms now are being dug in flats south of Rockland, Maine, but, says the D. of S. and S. F., "there are literally miles of flats that have not yet been explored for this expanding and profitable industry."

Fish bait comes in colors

ALTHOUGH many fishermen prefer the sandworm as superior bait, the bloodworm is a favorite for flounders, eels and other small fish caught from piers and rowboats close to shore.

The bloodworm is pink and red in color and ranges in size from an inch up to two feet long. It is found in tidewater mudflats along the coast and up the tidewater rivers. Salable bloodworms must be about five inches or more in length.

The sandworm is a flat segmented worm with appendages along each side for burrowing and swimming. Brightly colored with iridescent shades of red, orange and yellow, it is found in most tidewater mudflats, occasionally reaching a length of four feet. Marketable sandworms must be at least eight inches long and brightly colored.

Now, of course, if you are the executive type you may not want to spend your time digging around the flatlands. There are other ends of the business you can get into.

You can be a shipper, wholesaler



or a retail dealer. You see, the digger sells his worms to the shipper who supplies a wholesaler, probably in New York, who supplies the retail dealer, who may operate a fishing tackle business or rent row boats.

The retailer usually buys the worms in lots of 100.

For shipment, the worms are packed in baskets or boxes of rock weed. Most of them are sent by railway express but recently—just to show you that worms are getting up in the world—some have been going by air.

Shipping is a problem

ASIDE from the digger, the shipper is probably the most important cog in the worm business.

He is not just a middleman, as you might think, and his equipment can run into a sizable investment.

For a few cents per hundred over the price that he pays the digger, he provides storage, gets orders from the wholesalers and prepares and packs the worms for shipment.

He must have a cool basement or cellar to keep the worms and a large number of wooden trays to store them. He has to gather rock weed and wash it to use as packing in shipping.

Because the wholesale dealer orders by the thousands, and the worms have to be shipped within 48 hours after being dug, the digger would have a hard time existing without the shipper.

Anyway, if you're interested in a wrigglingly lively business, the worm industry of Maine might be it.—H. H.

One "Red Hot" ... Comin' Up

MILLIONS of American sports fans who are familiar with the slow but traditional burner and boiler method of cooking hot dogs are in for a surprise this fall. Science has come to the aid of the frankfurter with a gadget that does the job electronically—and in less than ten seconds, too.

The new wienie warmer, which looks about as complicated as a piece of radar equipment, is made by the Electronic Chemical Engineering Co., Los Angeles.

It operates by stirring the molecules of the hot dog electrically until the desired temperature is reached.—W. W. O.

Mirage on the Santa Fe



Shades of Francisco Vásquez de Coronado on his search for the Seven Lost Cities of Cibola—and of Juan de Oñate and his stalwart band on their march across the sun-baked desert! Imagine the travel hardships they bore.

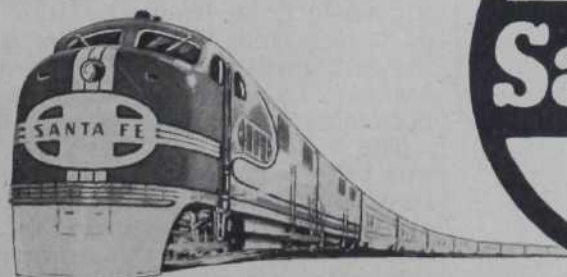
Dreams like these are called up best in the luxury and comfort of a modern streamlined train rolling through a region rich in romance from the past. And nowhere else on rails will you find greater luxury for travel and greater food for dreams than on the famous trains of Santa Fe through our colorful Southwest.

There are soon to be even finer trains on the Santa Fe.

Watch for an early announcement.

SANTA FE SYSTEM LINES

Serving the West and Southwest





The Rush for the Cherokee Strip—On September 16, 1893, at noon, about 50,000 people raced for the best land sites. The founders of our company were bringing pipe-pleasure to smokers in many States. Their shop was located then at 129 Grand St., New York.

KAYWOODIE

grew up with
America

Relief Grain
Pot Shape
\$7.50

*Winning new friends
every year since 1851*



Kaywoodie Pipes of 1946 are the latest in a long line. In their shape, their balance, choice of the world's briar, and correct fashioning of their mouthpieces, they combine modern mechanical precision with 95 years of experience with pipe-smokers' needs. They are the world's best-smoking pipes. Available at dealers, \$3.50 to \$25. Kaywoodie Company, New York and London.



D-D-Do You S-S-S-Stammer?

(Continued from page 55)

stories I thought they'd like, and tried to be a good listener. The result was that I found new avenues of interest which otherwise I might have passed up, for I am naturally as lazy as the next man—if not lazier.

Keen on amateur theatricals, I helped organize the Fresno Community Players, but I confined myself to building props for a long time before tackling a speaking part.

Finally, we put on a one-act play by Edna St. Vincent Millay, "An Angel Intrudes," about an angel's adventures in sinful Manhattan. The director selected me to play the angel, with home-made wings and halo.

I was nervous on stage, just before the curtain was to go up. Then I heard one of the amateur musicians say, "Why, there's Randol! He can't say a word!" Well, he made me boiling mad—with the result that I had no trouble whatever with my part. I didn't stammer once. We had packed houses every night thereafter, and I dare say that a large section of the audience consisted of my friends who expected me to blow up in my lines. But I didn't. In fact, we had such a good run that we paid off our entire debt.

I joined a service club in my present town, Carmel, Calif., because I enjoyed its good fellowship. When I had something to say, I said it but I tried to have something worth saying before I got on my feet. When I hit a verbal chuck-

hole, I would climb out, and the members would grin or laugh, and I laughed with them. We got along fine.

Years ago I decided I could stop worrying about my handicap.

Less stammering

I ENJOYED my family and my profession. I enjoyed the people I met, and the friends I had, and if they found my stammering overpowering, well, I decided, they could take me or leave me. Devil take them, if they couldn't look on my handicap as I viewed it—as something rather amusing and not very important.

The result was that I stammered far less, and often not at all. I had fully arrived at one of the ideas which speech correction experts believe in today—I had full confidence in myself, and felt that others found me at least helpful and useful, if not downright agreeable.

When I look backward, which I don't do very often, I see that I have been forced to extend myself far more to make friends than I otherwise would have, and I have made more of them. I have read more books, had more interesting and entertaining experiences. I have benefited immeasurably. And I say this solely for those who stammer: I don't believe there is anyone in our community who has more friends or dearer friends or more interesting ones than I have.

With a sense of humor, I have decided, you can accomplish almost anything.

Rolling Restaurants

A MOBILE, one-man-operated feeding unit, the first of a fleet of traveling restaurants designed to serve industrial plants, outdoor sporting events and residential districts, is now in operation at Ridgefield, Conn. Known as Meals-on-Wheels, Inc., the enterprise is the fulfillment of a long-planned dream of Laurence I. Graham, its president.

The first Meals-on-Wheels fleet will be provisioned and serviced from the Outpost Inn, an historic dining retreat in Ridgefield, and will cover a 25 mile radius from this central commissary. Eventual-

ly the company plans to operate fleets on a national basis, each fleet being serviced from an independent, self-supporting, local restaurant which is located near a main highway.

Each mobile unit will be equipped to handle 1,000 ready-to-serve items such as sandwiches, baked goods, soup, casseroles, barbecues, and insulated hot plates, without returning to the commissary. Though present roadside menus are limited to sandwiches, baked goods, ice cream, milk and coffee, future menus will be made to fit the particular point of business.

RIGHT THUMB

Because photography authenticates...

Courts know this: that you can depend upon the accuracy, completeness, and objectivity of photography...

Business and industry know this, too. As a result, they're using photographic technics to validate more and more of their activities. They're using...

Record photography to document accident and progress reports.

Radiography to pre-test new designs, to prove the merits of new foundry and fabrication technics.

Recordak microfilming to authenticate billing procedures, speed collections.

High-speed movies to verify scientific hypotheses.

Photographic illustrations to add authenticity to advertising.

Photo layout to reproduce complex drawings on metal with photographic accuracy.

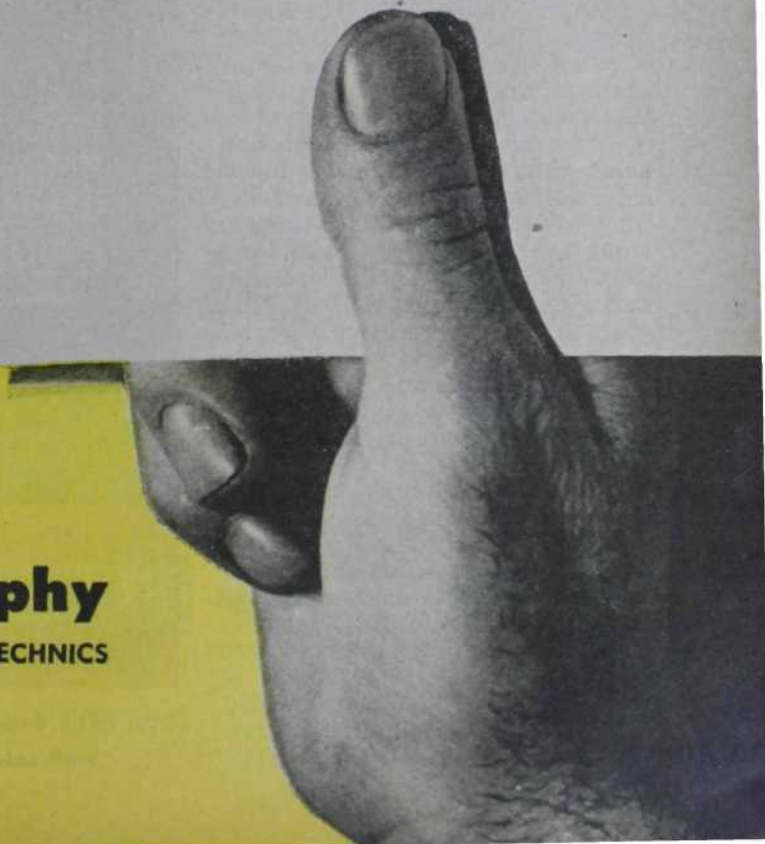
Spectroscopy to provide speedy proof of chemical content.

Now for the question: Are you making full use of photography's power to authenticate and of its other special abilities? If you're not sure, write for our new, free booklet—"Functional Photography."

Eastman Kodak Company, Rochester 4, N. Y.

Functional Photography

IS ADVANCING BUSINESS AND INDUSTRIAL TECHNICS



The World Is Its Newsstand

(Continued from page 40)

DeWitt Wallace said, "Why not?" and, after another survey, he and Lila Acheson Wallace, co-editors, agreed to finance the expected losses.

When *Selecciones* was being planned it was viewed partly as a service, partly as an experiment, and not as a money-maker. Most estimates of its potential circulation were around 20,000. Highest estimate outside the home offices was 50,000. When Eduardo Cardenas, the Colombia-born editor, predicted that in a couple of years the circulation would rise to 200,000, everyone accused him of dreaming.

Distribution starts slowly

WHEN FOUR men went around Latin America arranging distribution they encountered apathy in the trade. They were confronted by distributors who had never heard of *The Reader's Digest* and who couldn't believe they'd ever make any money selling a translation. In Caracas, for instance, the wholesaler selected as distributor for all Venezuela wanted to order (even on a no-deposit, returnable basis) only 300 copies of the first issue. Today he sells 40,000 copies a month.

When orders for the first issue (December, 1940) were added up, they totaled only 90,000. The *Digest* printed 125,000 copies, and sold out—at prices varying from nine cents in Argentina to 15 cents in Venezuela.

In a year Argentina, which had been talked into taking 25,000 copies of the first issue, was ordering 155,000. Mexico had jumped from 6,000 to 110,000, Chile from 8,000 to 55,000. By 1942 *Selecciones* had a circulation of 400,000. That year, the *Digest* launched *Selecoes do Reader's Digest*, a Portuguese edition for Brazilians.

This Portuguese edition started with 100,000 copies—more than the original *Selecciones* order for 20 Spanish-speaking countries. But once again the editors, planning an overprinting in order to make a big splash, misjudged the market. *Selecoes* sold out in two weeks. In three months its circulation was up to 150,000 and still climbing. Today it is 350,000, of which Portugal itself buys 55,000.

Meanwhile, the Spanish edition, passing the million mark in Latin

America, long has been banned in Spain. If this ban is lifted (as momentarily expected) eventual sales of half a million in Spain are expected. Spaniards now get *Selecciones* from the black market for \$2.25 a copy—that is, all Spaniards except possibly Franco.

A fairly well-founded story has it that last Christmas a member of Franco's household appeared at a certain embassy in Madrid with a request for *Selecciones*.

"The Caudillo," he said, "is missing his December issue."

The pattern set by *Selecciones* and *Selecoes* in the two Americas has been duplicated on the other continents. The magazine appears in the language of at least one nation on all six continents. Of the 51 United Nations, 32 buy the publication in their own language.

Before the war several large factories in Poland translated the monthly and distributed it in mimeograph form to workers. Newspapers in the Middle East constantly reprinted articles without giving credit. In Chile one magazine lifted 13 articles from a single issue. The same situation prevailed in China. Recently a top American general abroad said:

"I'd give my right arm to have it in German."

From Bucharest comes a report that a relative of a former reigning prince is translating articles for the benefit of hospitalized Rumanian soldiers. And in Pleasantville, requests arrive each month to publish not only in the major languages, but also in Singhalese, Afrikaans, Esperanto and Basic English.

While overseas expansion might seem to have been inevitable, the war was responsible for some of the timing. Late in 1942, for instance, OWI came to the editors with a request for permission to publish the magazine for some neutral countries. The editors, not wanting to see their publication become a government propaganda medium, answered "No!" and countered with an offer to investigate the practicalities of publishing editions themselves for the peoples concerned—the Turks, Swedes and Arabs.

Exploring for new editions

IN a few weeks exploring teams took planes bound for Istanbul, Cairo and Stockholm. Turkey proved impossible, largely because it lacked printing equipment, a distribution system, and had laws that made it impractical for American business to operate there. The team that was on its way to Sweden—Barclay Acheson and Marvin Lowes, director and assistant director of the Interna-



The Argentinians are great readers of the Spanish edition with sales each month running up to a quarter of a million



WHO MAKES THE WHEELS GO 'ROUND?

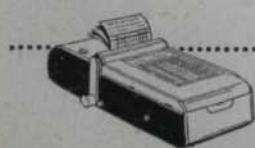
Not only "who" makes them go 'round—but "what." For back of that stroller—speeding it through many phases of production and distribution—were orders, receipts, requisitions, invoices, and a lot of other forms . . . probably UARCO forms.

For every phase of every business—from the purchasing of raw materials to the retailing of the finished product—correct forms are essential to the speed, efficiency and control of single and multiple business operations.

The design and application of these correct business forms is UARCO's job. They've been at it a long time, and their advice has avoided many head-

aches. UARCO can help you evaluate the methods and forms you're using now—can determine the advisability of combining several forms and cutting the cost of routine handling work. Whatever your business—whatever its size—if it requires business forms, it will pay you to make sure they're designed for efficiency.

Call your UARCO representative today. Without any cost or obligation on your part, he'll make a careful analysis of your present forms . . . perhaps his suggestions for improvement will save you hundreds of dollars. So call or write today. UARCO INCORPORATED, Chicago, Cleveland, Oakland. *Offices in All Principal Cities.*



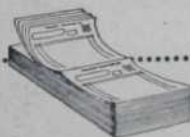
AUTOGRAPHIC REGISTERS



SINGLE SET
FORMS



BUSINESS FORMS



CONTINUOUS-STRIP FORMS FOR
HANDWRITTEN TYPEWRITTEN BUSINESS MACHINE RECORDS



**Wives.
Be Glad**

if your husband
is transferred to
MACON, GEORGIA

Because Macon is an ideal community in which to live and raise your family.
You'll enjoy the companionship of friendly and charming neighbors, who are glad you moved to our city. You will live in a pleasant, tree-shaded home.

MACON
It would like to know more, just in case you have the opportunity to move here, write for "Living in GOOD in MACON" - it's FREE.

Macon
AREA DEVELOPMENT COMMISSION
P. O. Box 288 - Macon, Georgia



Why

DOES MACON, GEORGIA ADVERTISE TO **WIVES?**

We have no great trouble selling Macon to Top Management. Production and marketing advantages, which mean tangible profits, are sufficient clincher to have this city chosen as location for plants out of which to serve the amazingly grown Southern market.

But many a key man has been blocked off until his wife was convinced that she and the children would be well off in our City. It is a natural thing, and we understand it. So we try to do something about it by running advertising in media of national circulation.

That is typical of Macon's approach to new industry. We try to be realists. We try not to kid ourselves, and we are very careful not to kid business and industry. In fact we spent a lot of money for a hard-boiled study of our area to make sure we could tell the cold truth to those who inquire about Macon's advantages.

If you want to really get the volume that's in the South for your line—ask Macon, and you'll get the sober facts. Why not write today for our book "Make It in Macon." It is free, of course.

Macon

AREA DEVELOPMENT COMMISSION
P. O. Box 288 • Macon, Georgia

tional Editions—was almost wiped out in a plane crash off Newfoundland.

They escaped death only because Lowes, suddenly renouncing a no-cigarette pledge, had taken Acheson into the smoking compartment at the rear of the plane.

When the plane nose-dived into the water and broke in half, the rear part of the plane floated while the front half sank with a loss of 12 lives. Acheson and Lowes were flown back to the States where they got another plane to Sweden. The Germans tried to block them, but in February, 1943, *Det Båsta* or *Reader's Digest* appeared on Swedish newsstands.

Swedish advisers had recommended a first issue of 20,000. Acheson and Lowes printed 60,000 and in ten days put the issue back on the presses for an additional 15,000. The next issue sold 125,000. Today the 6,000,000 people in Sweden buy close to 300,000 copies a month—the per capita equivalent of a 7,000,000 circulation in the United States. The Swedish Gallup Poll shows *Det Båsta* is read by one out of every seven adults in Sweden.

Arabic a bigger problem

NONE of this proved that Arabs would buy a translation. The Spanish and Portuguese editions went into countries sharing a New World background with the United States; the Swedish edition went to people having high living and literacy standards. But 50,000,000 Arabs scattered over seven countries presented a different situation.

Their culture, traditions, habits all differed from ours. Their buying power was low. Only one in ten could read his own language, which runs from right to left, from back to front. But the Arabs bought 60,000 copies of the first issue of *Al Mukhtar min Reader's Digest* and now buy 100,000 copies a month.

The most popular articles published so far are those in a series titled, "Be Your Own Boss," and the most talked-of piece of fan mail is a letter from a subscriber in Syria:

"I am saving my copies of *Al Mukhtar* until my children grow old enough to read, when it will make the best possible beginning for a home library for them."

In June, 1945, a Finnish edition of 50,000 was launched, sold out in four days, doubled the following month. By June, 1946, editions also were started in Denmark, Japan

and Australia. Plans now are being made to start editions in France, Germany, Italy, Holland and possibly Czechoslovakia. Production in each country depends, however, on when paper can be bought there, but the June-to-June timetable calls for getting established in Europe from June, 1946, to June, 1947, and in Asia from June, 1947, to June, 1948.

Distribution is the biggest obstacle in China. In India it is the many languages. Eventually, advertising will enable an exporter to talk to any one of 48 countries in its own language.

Advertising in foreign editions

BY U. S. standards advertising revenue available for foreign publication is small. However, in 1946—in the nine foreign editions of the magazine—almost \$1,500,000 worth of space was purchased. More than \$2,000,000 is in sight for 1947. Some 125 leading American companies buy space at, for instance, \$400 a page in *Al Mukhtar* and \$2,100 a page in *Selecciones*. Nothing smaller than a page ad is permitted; no contract is signed for less than three pages a year. Lockheed transports, Parker pens, and Studebaker trucks are advertised in all eight languages; numbers of other products in three, four and five.

Recently the president of the Parker pen company informed the editors that he wanted space reserved in all future editions, "whenever and wherever they may be."

Some months ago the magazine set out to sell British exporters. By summer more than \$40,000 worth of advertising was on the books and British ads were appearing in five languages. By the year's end at least 25 British concerns will be represented.

French and Spanish firms are expected to come in next. Eventually, it is believed exporters of virtually every nationality will be buying space.

This success has not been achieved simply by translating into foreign languages, adding advertising, and throwing copies at newsdealers abroad. Many difficulties have been encountered. Some countries have complex press laws, others tax laws designed to hamstring foreign publishers. Problems are created by blocked exchange, by tariff laws, by political instability, and even by the fluctuation of exchange. For example, the franc over a short period changed from 50 to a dollar to 130

to a dollar, and recently in Japan printers' wages went up 100 per cent overnight.

Still other problems are created by inadequacy of printing equipment, by variations in printing costs, by lack of distributing systems. However, the magazine's small page, lack of illustrations, and inexpensive paper all spell low manufacturing costs. Further, the very nature of its editorial matter fills a vacuum in many foreign countries.

The publication has invested close to a million dollars in its foreign-language editions without taking out any profits.

Each foreign edition is hand-tailored to interest the people using that language. This is an expensive procedure—for instance, in 1946 the total cost of handling the editorial matter for these nine editions (not counting a penny for the original editorial costs) was approximately \$442,000.

First, there is the selection of articles. Each foreign edition has fewer pages than the American publication and, in addition, translating increases the length of each article.

In result, while all articles in foreign editions appear in the U. S. original itself, all articles here do not appear in foreign editions. About a third get in practically all foreign editions, another third in about half of them, the other third in virtually none.

Each foreign edition is based on a specific issue of the parent publication and rounded out with articles from issues back through the years. An article, "Write Your Congressman—But Do It Right," in the June edition does not appear in any foreign editions, while Pearl Buck's "An Interview with My Adopted Daughter" appears in all nine.

Common sense explains such decisions, but selecting articles for foreign readers is not always as simple as determining whether an Arab is interested in how to write to Congress.

New problems abroad

EACH EDITION presents special problems. For example, divorce articles can't be published in the Spanish and Portuguese editions and, in deference to Finland's plight, articles on Russia do not appear in the Finnish edition. Sex frankness has to be watched in the Arabic edition.

Stories on progress in handling social problems usually are kept out of the Swedish edition—

Sweden is so far ahead of us in this field that often what seems new here is old stuff there.

Less obvious but even more serious editorial difficulties stem from different customs and from translation problems. For example, the book supplement seldom proves usable in Latin America. The colloquial dialogues in these fictional best-sellers cannot be translated successfully for Latin America as a whole—there are 19 countries and colloquialisms differ markedly from one to another.

Selections are checked

EACH month advance proofs of articles are sent to each foreign editor. The Swedish editor, for instance, goes over these proofs with the Stockholm staff, grades them A, B and C, cables a memo with his comments. Meanwhile Hobart Lewis, an editor at Pleasantville, has had Swedish experts in this country comment on the usability of each article. Combining these comments, and his own judgment, Lewis makes up a tentative table of contents, takes it into a huddle with Fritz Dashiell, the managing editor.

Dashiell has to make final decisions on nine foreign editions a month—one every two and a half working days.

Re-editing the articles in English is the next step—to give objectivity and to facilitate understanding by non-American readers. For example, "our troops" becomes "American troops" and "Mo." becomes "Missouri."

"Gallup Poll" had to be changed to "a survey" in the Arabic and Japanese editions but could be left untouched in the Swedish edition—the Gallup Poll operates there.

Frequently titles must be re-written to be meaningful when translated.

"Why We All Have 'Ups and Downs'" was changed for the Spanish edition to "Our Good and Bad Hours," and for the Finnish to "Fluctuations of Our Moods." Here are a few typical changes out of 147 made in re-editing one issue for translation into Spanish:

"tired jalopy" changed to "aged second-hand automobile"

"name bands" changed to "famous dance orchestras"

"USN" changed to "United States Navy"

"V-E Day" changed to "the day war ended in Europe"

Typical re-editing for the Arabic edition:

ANOTHER
BOSTITCH
EXAMPLE



SAVED: "MACHINE-COST" TWICE A MONTH

Building a "Heat-Dam" for a Modern Structure



ONE OF
800

By stapling pads of insulation for aircraft, refrigerator cars, etc., an insulation manufacturer saved the original cost of 3 Bostitch machines (\$645.00) twice a month.

From other Bostitch users come equally enthusiastic reports: a furniture manufacturer packs coffee tables for shipment 3 times faster; a toy-maker saves 70% time assembling display boxes; a builder, using Bostitch self-feeding hammers, applies felt on side walls at 70% less cost.

If you have any combination of metal, plastics, wood, paper, fabric or leather to fasten, you may find that one of the many versatile Bostitch machines can do it better and faster with wire.

250 fieldmen in 91 key cities, backed up by skilled research engineers, offer you the benefits of 50 years' Bostitch experience in solving fastening problems.

New Broadside 188 shows representative models of the 800 Bostitch stitchers, staplers, tackers, hammers... the world's most complete line. Write for your copy.

Address: Bostitch (Boston Wire Stitcher Company)
364 Mechanic Street, Westbury, R. I.
(Bostitch-Canada, Ltd., Montreal)

BOSTITCH

AND FASTER
fastens it better with wire

ALL TYPES OF STAPLES APPLIED BY MACHINES
ALL TYPES OF MACHINES FOR APPLYING STAPLES



IRVING TRUST COMPANY
500 Fifth Avenue
New York 15, N. Y.

MODERN • DISTINCTIVE • FUNCTIONAL

ECUSTA *Fine Flax*

WRITING AND AIR MAIL PAPER

THE ARISTOCRAT
OF CORPORATE STATIONERY
★
CONSULT YOUR PRINTER OR
ENGRAVER



FINE FLAX WRITING • FINE FLAX AIR MAIL
FLAX-OPAKE BIBLE AND PRINTING PAPERS • STATIONERY CABINETS
BOXED TYPEWRITER PAPER • MAKEREADY TISSUE
SILVER WRAPPING TISSUE (non-tarnish) • LIGHTWEIGHT PAPER SPECIALTIES

Ecusta Paper Corporation

PISGAH FOREST, NORTH CAROLINA

"quickie" changed to "film"
"has a high I.Q." changed to "is intelligent"

"as phony as a seven-dollar bill" changed to "false"

"75 roller-coaster miles" changed to "75 hilly miles."

In a memo to translators, the editors once said, "In our view the work of the translator is fully as important as the work of the original writer."

The aim of the magazine is not a literal translation or a translation into the stilted formal language which is the literary style of many countries. The aim is to get the article into an informal language that well-educated men would use in conversation. An article translated into Spanish, for instance, is supposed to read as if the author originally had written it in Spanish.

In setting up the Swedish edition more than 100 translators were tested in Sweden. The same article was given each person, the translations were numbered, and submitted to a Swedish jury. About a dozen translators work each month on each foreign edition. To avoid sameness, a translator rarely has more than two articles in an issue.

Translator for special subject

SOME writers always are translated into certain languages by the same men. For instance, Eric Johnston's articles are put into Spanish by Louis Maranon, a Spanish writer with a background of banking.

Articles dealing with engineering are translated into Spanish by Antonio Llano, editor of Appleton's Spanish-English and English-Spanish dictionary.

Even with translators of that caliber the magazine hands copies of each foreign edition to a group of critics for confidential reports on the translations.

Once an article in *Selecciones* was condemned for containing a Spanish word which the critic charged "wasn't even in the dictionary." Mr. Cardenas, editor of *Selecciones*, asked, "What dictionary?" and, when given the name, said, "Our translator is the editor of that one."

Translation into Spanish increases the word length of most articles about 25 per cent; into other languages ten to 20 per cent. All get longer and even when a message in Spanish on the back cover of *Selecciones* is translated into English for the editors at Pleasant-

ville to read, it, too, increases in length—about ten per cent.

The impact of the foreign editions has been tremendous. In Buenos Aires a reader inserted a half-inch ad in the classified section of *La Nacion*:

"WANTED—a doctor who can perform the ear operation that is described in the September issue of *Selecciones*."

In Brazil a cigaret has been put on the market named *Selecoes*, and in Lebanon a junior college has made *Al Mukhtar* compulsory reading. When a price of \$500 was offered for the best letter on "Why I like *Selecciones*," Cuba alone produced more than 40,000 entries out of a circulation of 120,000.

Reader response is high

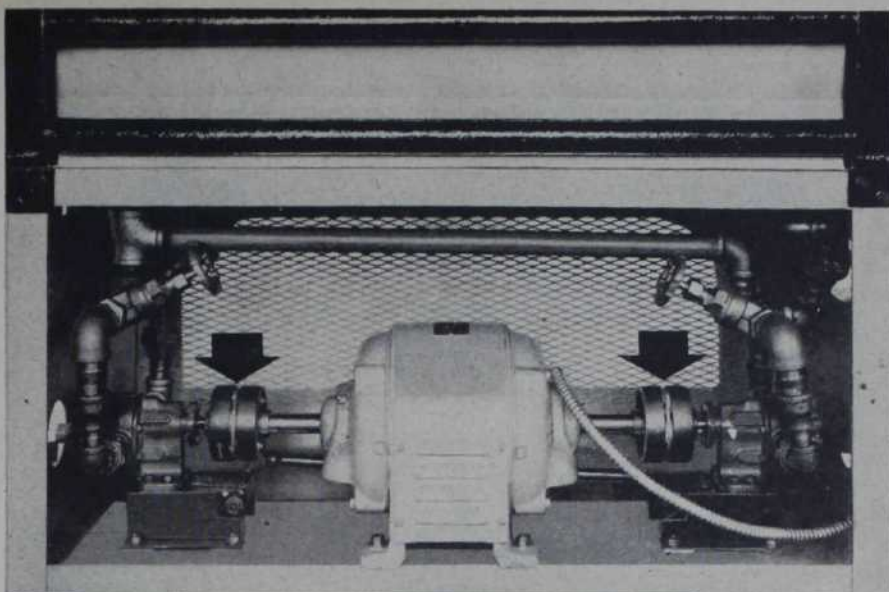
WHEN *Al Mukhtar* was being launched, 100,000 entrance blanks were distributed in a name-the-magazine contest. A ten per cent return in America would have been excellent, but the Arabs turned in 60,000 blanks. In 1943 a footnote to a *Selecciones* article about how to grow soybeans offered a pamphlet in Spanish on the subject compiled from Department of Agriculture and Pan American Union material. Nearly 10,000 individuals in Latin America asked for the pamphlet.

In 1945 *Selecciones* carried an article on Dr. Frank Laubach's system of teaching illiterates. When hundreds of Latin Americans began asking for more information, a booklet was prepared and offered free. More than 50,000 copies were requested by individuals, and 20,000 to 250,000 were requested and given to various governments. Altogether 700,000 copies were distributed.

Some time ago subscribers in Chile complained that the magazine was so popular that postal employees were stealing their copies. An investigator went to one post office, asked if there were any undelivered copies and learned they were kept in the basement. He went downstairs, found a postal employee and asked if he had any undelivered December *Selecciones*.

"Sorry," the postal employee replied, "we're just sold out."

Except for *Selecoes* and part of *Selecciones*, all foreign editions are printed abroad. The *Digest* and several other U. S. publications recently surveyed printing facilities abroad, discovered that almost nowhere are there presses that can print magazines up to the American quality at low cost. The publi-

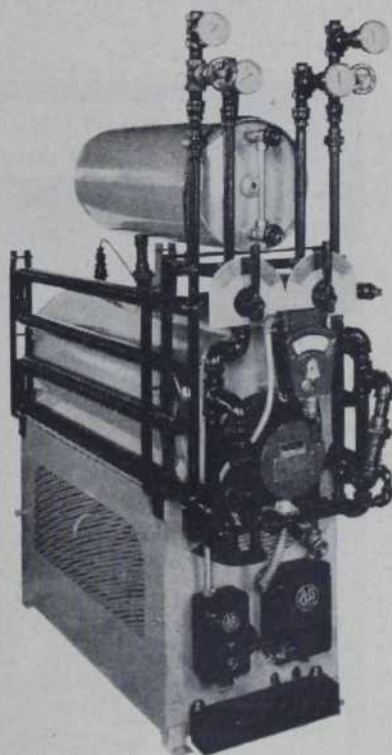


Modern Machines Deserve Morse Couplings

JOHN ROYLE & SONS, manufacturers of extrusion equipment, use Morflex couplings in the power drives of their temperature control units, which handle extruding temperatures of 90° to 500°.

Morflex couplings require no lubrication, are unaffected by gas, oil, dirt or weather. The exclusive Morse-designed Neoprene biscuit cushions shock, isolates vibration and uneven impulses, *prolonging machinery life*. MORSE CHAIN COMPANY—Ithaca, N.Y.—Detroit 8, Mich.

Available in a wide variety
of stock sizes



MORSE

ROLLER and SILENT CHAINS
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Swingline stapler...easy to load!



SWINGLINE'S patented Swing-Back head assures split-second loading. This easy-action stapler tacks and pins, too. Loaded with SWINGLINE'S 100% ROUND WIRE non-clog Staples, it's the World's speediest stapling team. Make your office, home and school Swinglined.

SPEED PRODUCTS COMPANY, INC. • LONG ISLAND CITY 1, N.Y.

Swingline
STAPLERS STAPLES



100% round wire staples are best for all standard staplers

cation now is helping printers abroad purchase new presses in the United States which will reduce production costs on printing and many other jobs.

Until new equipment can be obtained, foreign editions must be printed on the relatively inadequate press equipment now available. In most cases (all where possible) paper is purchased in the country of issue. The editorial and business staffs are made up of the nationals of those countries.

Only the Japanese and Arabic editions have American business managers.

Retailing is improved

NEW RETAIL outlets are being opened in countries which have relied solely on boys. For instance, in the Middle East racks have been designed for sale of *Al Mukhtar* in 700 drug stores. In Colombia, *Selecciones* has been put on sale in barber shops. The first shop took 100 copies and sold out.

These steps have two important results: First, practically all of the money a country spends for the magazine stays right there. Second, the whole publishing trade, from printers to retail dealers, is improved. In Mexico, for instance, the mounting sales of the monthly have been accompanied by larger sales of Mexican magazines.

Attacks on the publication overseas have come consistently from totalitarian sources. Hitler banned the magazine in Germany, Franco banned *Selecciones* in Spain, Salazar banned *Selecoes* temporarily in Portugal, and the Communists have damned it all over the world. When an article in *Selecciones* is attacked by the communist press in Cuba, it is simultaneously attacked on the same grounds in Venezuela, Brazil and so on.

Not long ago the Swedish edition was belabored in Moscow. Only a little more than a year ago that same edition was producing the identical reaction in Berlin. The Nazis also charged our State Department with financing the Swedish, Portuguese and Arabic editions.

In Lisbon during the war the Germans published an imitation of *Selecoes*, sandwiching their propaganda in between genuine articles. But the Nazis had to give their product away. Totalitarians of the right and left are annoyed endlessly by the willingness of people throughout the world to exchange hard-earned coins for a magazine with a healthy, hopeful respect for individuals.

A pale dry beer
of exquisite charm

Maryland's
ambassador of
good cheer



What there is,
is very, very good

NATIONAL PREMIUM
beer

In finer clubs,
hotels, restaurants

THE NATIONAL BREWING CO., BALTIMORE 24, MARYLAND

HOT SPRINGS NATIONAL PARK ARKANSAS



CURATIVE BATHS

For arthritis, high blood pressure, hypertension, etc., in thermal waters owned and recommended by the United States Government.

GOLF

Excellent courses, friendly 19th hole. Riding horses, forest trails, scenic highways, mellow sunshine.

COMFORT

In the relaxing atmosphere of the hospitable Arlington, famed for its cuisine and living comfort. For illustrated folder and tariffs, address:

W. E. CHESTER, General Manager

**THE ARLINGTON
HOTEL & BATHS**
Hot Springs National Park, Ark.

Putting Wings on the Boss

(Continued from page 46)

"It's important that you have your best talent available when problems arise in the field, and with the airplane our men can reach the field without sacrificing other important company matters. The men can get back to handle their other affairs the next day.

"I find that there's a vast difference between envisioning a problem or a situation on which you must make a decision from a report, and in getting out on the ground and looking at the situation yourself and talking with the people involved. You are able to get viewpoints, and pick up angles that can't possibly get into even the best reports.

More traveling was needed

"WE'VE made a rough check on how often our key executives get out on the properties, and we know it is not often enough. It's almost impossible for the man in charge of oil production, for example, to get out and see his principal properties once a year by rail or auto. In a car it may take a week to reach a property. But there isn't a single one he can't visit in a day by using the airplane.

"Our objective is to have him see those properties three or four times as often as he had been able to before we got the plane late last year."

Mr. Harlan practices what he preaches. He and Vice President T. P. Steeper have been carrying out a program of weekend inspection trips which so far have covered properties in western Texas, eastern Kansas, and all of Oklahoma.

The schedule will continue until all the properties have been visited and then, very likely, will start all over again.

"Yes," said Clay Briggs, chief engineer, when he was asked if he arrived at any conclusions concerning the value of the company airplane. "It conserves my energy.

"I have quite a lot of trips to make—there are things that need attention and may take only an hour, or possibly two, at points that require a couple of days of surface travel. Traveling that way, I'm worn out when I get there and worn out for two days when I get back.

"With the airplane, we save two

days on every trip we make, and at the same time have more time to do our business. It means we make a lot of trips we couldn't make otherwise. We can get away for one day, but we can't for three."

R. L. Kidd, manager of the land and geological division, finds that he can make preliminary geological surveys from the air in a fraction of the time required on the ground.

"At 10,000 feet you can size up a whole area and get a perspective you can never get along a road," he said. "In one trip over some mountainous and plateau area in Texas we saw things that made clearer in our minds the mechanical problems we faced and got some idea of the geophysical problems of the area.

"The same trip would have taken ten days to two weeks on the ground, which means that I couldn't have done it."

Several times the airplane has been used to take key executives to labor negotiation sessions at the company's various operating locations.

"We find that our top men can do a much better job of getting our viewpoint before the negotiators," said Mr. Harlan.

Another advantage gained by having key executives visit the field more frequently does not show on the records.

That is the advantage of closer relations between the headquarters staff and the operating personnel—the advantage of giving men on the various jobs the opportunity to connect the names of the executives with the executives themselves.

7.2 cents a passenger mile

IN a typical, though not maximum, operational month the plane was flown on 15 days. It made 31 trips in 48 flying hours, covering 7,084 miles in Indiana, Illinois, Texas and Oklahoma. It carried 76 passengers, or an average passenger load per trip of 2.6. Passenger miles totaled 18,230.

Cost records maintained by the accounting department show that savings effected by this mode of travel come close to paying the cost of owning and operating the plane. Average rail-plus-pullman or airline rates are about 4.5 cents per passenger mile. The company-

operated airplane cost is 9.6 cents per passenger mile.

The company plane has the advantage of direct-to-destination routing, and this, according to Cities Service estimates, recovers about 25 per cent of the difference, bringing the cost down to 7.2 cents per passenger mile.

Many hours are saved

TIME saved in executives' office working hours by air transportation has ranged from 189 to 297 hours a month. Saving in hotel and food bills has been estimated at \$123 to \$245 a month. Averaging these estimates shows a monthly saving of 243 office hours and \$184 in traveling expense.

Fixed charges represent approximately 65 per cent of the total cost, including depreciation on the original investment in the airplane, salaries of the pilot and mechanic assigned to the plane on a full-time basis, insurance and taxes.

Operating charges, the other 35 per cent, include gasoline and oil, storage and landing fees, maintenance and repairs, miscellaneous supplies and expenses, and the pilot's traveling expenses.

War surplus airplanes of the type used by Cities Service have been available at about \$17,000, including rebuilding charges.

In a typical trip three executives visited operating points in central Illinois and Michigan. Mr. Wheatley made a routine check of transportation equipment. Ray Althouse, office manager of the oil production division, inspected facilities in his charge, and A. K. Wilhelm, chief geologist, Bartlesville division, made some engineering investigations.

In three days away from Bartlesville, the party spent a day at the division center at Olney, Ill., and a day at the district headquarters at Mt. Pleasant, Mich. Flying time totaled ten hours.

The same trip, made by using available surface transportation, would have required four days of travel time.

During one month Max M. Mahaffey, superintendent of natural gas, based at Bartlesville, was No. 1 user of the airplane. He used it to attend a New Mexico Conservation Commission hearing at Santa Fe, and a distribution conference in Omaha, Neb. After a similar meeting in Dallas, the plane stopped at Wichita Falls, Texas, to pick up two other homeward-bound men.

Later in the month Mr. Mahaffey used public transportation to



Is there a pipeful of "Country Doctor" aboard?

Why, sure! And it's smooth and serene as
a flight through the stratosphere. Cool and
refreshing as a cloudless sky!
It's the Tops in Tobacco!

Country Doctor Pipe Mixture

The pipe-smoker's ECONOMY-LUXURY



25
Pleasureful
Pipefuls
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TRY IT TODAY

If your dealer doesn't have it — write Philip Morris &
Co., Limited, Inc., Dept. C11, 119 Fifth Avenue, New York

PERCENTAGE PRORATION and EXPENSE DISTRIBUTION

... are handled easier and
faster with controlled accuracy on a
Marchant Calculator. In prorating
to any given distribution-base—as
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Points of Superiority give today's
highest calculator performance.
The Marchant Man in your phone
book will be
glad to prove
this statement.



MARCHANT ELECTRIC
—SILENT-SPEED— Calculators

THIRTY-SIXTH YEAR

MARCHANT CALCULATING MACHINE COMPANY
Home Office: Oakland 8, California, U. S. A.
Service Everywhere Through
Manufacturer's Sales and Service Agencies

go to Shreveport La., for a meet-
ing with production staff men. On
another trip to Beaumont, Texas,
the plane stopped at Shreveport
and returned Mr. Mahaffey to
Bartlesville.

He made two single-day airplane
trips—to Oklahoma City for a gas
distribution meeting, and to the
Hugoton gas fields in western Kan-
sas to inspect compressor stations
and production equipment—and
he then rounded off his month's
travel with a trip to Pampa, Texas,
with Vice Presidents Harlan and
Steeper.

At the end of the month Mr.
Mahaffey added up his time and
mileage.

He found he had traveled 3,230
miles by air for a total of 27½
hours. He added up the rail time
for the same trips, and found a
total of 102 hours.

"The gain in time for the com-
pany of an employee using this
method of transportation is ob-
vious," he commented in an of-
fice memorandum covering his
month's experience with air travel.
"I pass this information on to you
to emphasize the value of the com-
pany airplane as a time saver."

The company's first experience
with airplane operation began at
4:30 p.m. on July 17, 1929, when,
according to announcement in the
local press, its new Boeing biplane
arrived at Bartlesville "with a per-
fect landing."

It was without executive air-
plane service during the war years,
but its future in flying operations
may be guessed from the comment
of its flying executives, which often
start:

"With another plane, we
could . . ."

Transparent Musical Instruments



ROHM & HAAS COMPANY

MUSICIAN Billy Glass has teamed with Plexiglas to produce
a most unusual set of musical instruments. Sparkling and
transparent, they range from a grand piano to a full set of
clarinets. Each is fashioned from the same kind of shatter-
resistant plastic used during the war for bomber noses, gun
turrets and protective devices for war workers.

The plastic's light weight—half that of glass—and low
forming temperature enabled Glass to heat the material in
his own home oven and to shape the parts in homemade
wooden molds.

Conventional violins and clarinets change tone in extreme
hot, cold, wet or dry weather. Plexiglas instruments do not.



AMERICAN INDUSTRY

Served by

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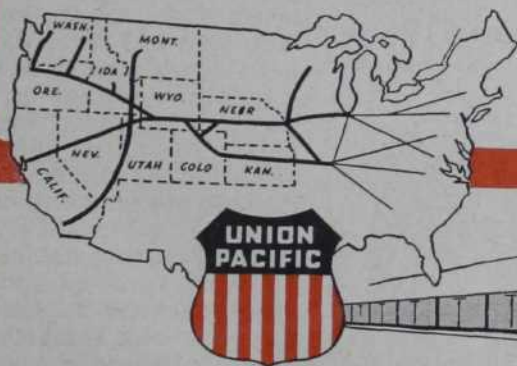
For more than 75 years, Union Pacific has served American industry. Every shipper is assured of efficient, dependable transportation when materials or merchandise are earmarked for the Strategic Middle Route, uniting the East with the Midwest, Intermountain, and Pacific Coast States.

Union Pacific provides specifically designed cars, various services and departments, to assure proper handling of a wide diversity of products.

Union Pacific's facilities and equipment are ready to meet the heaviest needs of commerce. Traffic experts are stationed from coast-to-coast. They will help you with that *next* shipment—and every shipment.

For dependable, fast freight service always . . .

be Specific -
say "Union Pacific"



★ Union Pacific will gladly furnish confidential information regarding available industrial sites having trackage facilities in the territory it serves. Address Industrial Dept., Union Pacific Railroad, Omaha 2, Nebraska.

UNION PACIFIC RAILROAD

The Strategic Middle Route

IN WIND, RAIN, SNOW OR HAIL • YOUR FREIGHT GETS THERE BY RAIL!

In the Wind on the Labor Front

(Continued from page 38)

fairly certain that there will be at least one more round of wage increases.

Caution should be observed, however, in using the word "round" in reference to wage movements. Increases in one industry do not always synchronize with those in another. It is possible, for example, that soon some groups of workers will be demanding fresh wage boosts while others have not yet received the 18½ cents an hour which became "standard" in the first half of 1946.

In all wage negotiations management should make every effort to regain control over job standards and incentives and to restore, in so far as possible, the labor productivity and shop discipline that are essential to effective operation. If employers are resolute, they may make considerable progress in these directions in 1947, but it will be against heavy opposition from unions and from some government agencies.

Guaranteed annual wage: In the broad field of earnings for labor, there is one topic about which we are going to hear more in 1947 than in 1946—the guaranteed annual wage. Several strong unions have adopted this objective while by no means all employers are unsympathetic to the idea. The Government has an organization studying the subject. It seems doubtful, however, that the guaranteed annual wage will make much progress in 1947.

There are too many hurdles to get over. One is that the project involves problems not only of employee relations, but also of engineering, sales and production policies, and finance. In some industries these problems can be overcome with comparative ease; they have been. In others they seem well-nigh insuperable.

Employers would be wise to consider this whole subject seriously and sympathetically, but limit the discussion to stabilization of production and employment, refusing to make any commitments to pay employees for work not done.

Welfare funds: The success of John L. Lewis and J.

Caesar Petrillo in forcing employers to pay royalties into "welfare funds" for the benefit of union members probably will induce a flood of demands for similar set-ups in other industries. It is too early to forecast how much progress this campaign will make in 1947. Much will depend on how employers meet the issue. Except from the standpoint of sheer compulsion, they have all the best of the argument.

For many years American industry has afforded financial protection for the "welfare" of employees far beyond anything that it has occurred to the unions to demand. Management should let this fact be known, at the same time resisting uneconomical and illogical proposals. Here is a time for some discreet publicity, at both the company and the industry level.

Demand for union-controlled welfare funds is not an isolated symptom. It is a phase of a disease that has undermined the health of industry for a long time, and particularly in the years after Pearl Harbor. Some segments of organized labor are determined to break through the conventional limits of collective bargaining and to dominate, or at least to share, the administration of company personnel plans—pensions, insurance, sickness and accident funds and the like.

This effort received significant support from the National War

Labor Board and, when that tribunal was discontinued, the unions already were a long way toward their goal. Even plans financed solely by employers, and theoretically removable at their will, sometimes have become subject to collective bargaining and have been included in union contracts.

These subjects are likely to be prominent in contract negotiations of the next few months. The danger is insidious, and management negotiators should be doubly on guard. The law requires them to bargain, but they are under no obligation to give away their shirts. Particularly they should avoid making dangerous concessions of management functions in trade for temporary advantages in wages or working conditions. Ruinous wage scales perhaps can be reduced—at least, in the next depression—but lost rights of management are likely to be gone forever.

Pensions and retirement: A recent and novel development in union tactics has been resistance to retirement of superannuated employees. Under the rules of many companies—particularly those having pension plans—workers are required to retire when they reach a certain age, usually 65 or 70 years. Now some unions have advanced the claim that employers have no right to make these retirements. Absurd as the idea is, it is making trouble for some companies, and is likely to bob up frequently in contract negotiations of the next year or two.

The union theory runs like this: Compulsory retirement is either a discharge or a layoff. Under many contracts, layoffs are controlled by seniority and discharges are subject to the grievance machinery and perhaps to arbitration. A man who has seniority—as most elderly employees have—therefore cannot be laid off ahead of junior workers unless it can be demonstrated to the satisfaction of the man himself or his union that he is incapable of carrying on with his job. He can't be fired except for misconduct. On the basis of this reasoning, some unions have challenged the rights of employers to make compulsory retirements.

If this union argument should prevail, the value of company pension plans largely would be nullified, since the principal justifica-



"You and your parlor tricks! That was my last decent girdle"

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1. GREATER EFFICIENCY! Royal has *more work-saving, time-saving* features than any other typewriter. Result: Royals can deliver *more letter-production* per machine. This is a fact. Call in your Royal representative—and *be shown the proof*—in an actual Royal demonstration!

2. GREATER DURABILITY! Royals are the *sturdiest* typewriters engineering science has produced. Because of this fact, Royals *stand up longer*, spend *more* time on the job, *less* time out for repairs. Result: Royals cut stenographic work losses to a minimum, give you *the maximum return* from your typewriter investment.

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That "business-of-your-own" has a better chance of prospering in South Carolina! If you're looking for a location, we'll turn the state upside down to furnish specific, accurate data—some of which may surprise you. For example, South Carolina is still more than half forest—a rich resource for furniture, plastics, plywood and paper. Mineral deposits include kaolin, limestone, phosphate, manganese. Agriculture is rich and diversified; power and tax rates are moderate. We'll gladly translate these advantages into figures for your business. Write State Research, Planning & Development Board, Dept. J, Columbia, S. C.

South Carolina

WHERE RESOURCES AND MARKETS MEET

tion of these plans is that they promote efficiency by enabling employers to retire aging workers, either automatically or at the option of management, without doing violence to their own humanitarian feelings or those of the community. If this purpose no longer can be attained, there remains little excuse for spending the stockholders' money to finance pensions.

In all union negotiations that touch on pension, insurance and other benefit plans, employers will do well to keep in mind the probability that the federal Social Security program will be expanded before the end of 1947. Ambitious plans for increasing the benefits, broadening the coverage, and adding new features such as health insurance already have been proposed in Congress, and many observers believe these projects are due for active consideration in the next session.

One thing at any rate is certain: Social Security is a fixed policy of the Government, unlikely to be abandoned—and this fact should be remembered in formulating private plans or in dealing with demands of unions.

Foremen's unions: The fight over foremen's unions will be projected into 1947. On the side of government, the best hope of successful resistance seems to lie with Congress. Of all the provisions in the Case bill, one that received easy approval in both House and Senate was that which excluded foremen from the definition of "employee" in the National Labor Relations Act—as much as any reasonable employer ought to ask. But President Truman in his veto message swallowed the whole philosophy of the National Labor Relations Board on this subject, and NLRB some months earlier had gone almost all the way in meeting union demands.

Interior Secretary Julius Krug, in making the agreement with Lewis that ended the bituminous coal strike, promised to deal with foremen's unions according to NLRB policies, which seemed to mean that he would make a contract with a union of foremen whenever and wherever the Board certified it.

The issue is still pending in the federal courts, which conceivably may uphold the contentions of employers that supervisors are part of management and should not be subject to government-sponsored unions.

But, in the matter of foreman-

ship, industry is not resting solely on the flimsy structure of government favor. In many companies—perhaps in most—there is still time to bind supervision to the upper levels of management. The day has not yet come when foremen ordinarily are forced into unions. If they join, or if they vote for unions in NLRB elections, they do so because they want to; and if they want to, it is likely to be partly the employer's fault.

Many companies are working on this problem; the others should get busy. In the meantime, companies confronted with foremen's unionism should resist to the limit of their legal rights. If both these suggestions are followed, organization of supervisors may make little progress in 1947.

Wider collective bargaining: Another subject that may be expected to demand much attention of contract negotiators is the broadening of the geographic area of collective bargaining. Suggestions range all the way from company-wide contracts to nation-wide agreements covering entire industries.

Sentiment on this subject is not unanimous either among union leaders or among employers.

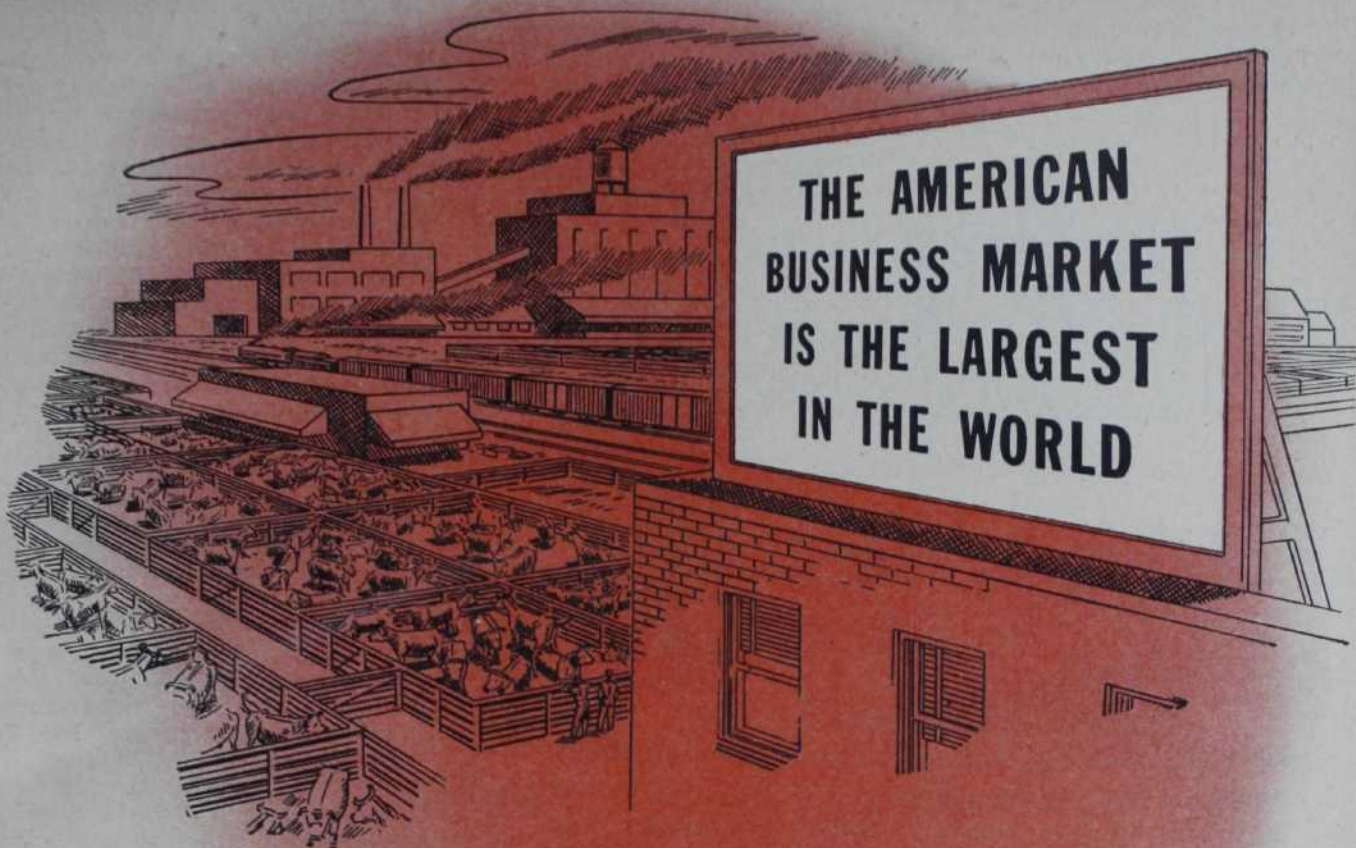
Some government officials have advocated bargaining on the industry level as the most effective means of restoring the power of the employer so that it will more nearly equal that of a national or international union.

It is impossible to predict what, if any, progress this project will make in 1947.

















Maintenance of membership: Much of the wrangling in contract negotiations will be over the highly controversial issue of "security"—for the union or the employer.

Under War Labor Board administration, the outright closed shop rarely was awarded to unions, but the board discovered a convenient substitute: maintenance of membership, under which men who joined a union had to continue in good standing for the duration of the contract or be fired from their jobs.

Employers who were forced to adopt this arrangement usually did so under protest, arguing that good workmen might have to be dismissed merely because they could not get along with local union officers. Many unions also objected to maintenance of membership, claiming that it was an inadequate substitute for the closed or union shop. Nevertheless, the expedient



Where industry is concentrated
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CIRCULATION	NEW ENGLAND*	ATLANTIC*	NORTH CENTRAL*	PACIFIC*
NATION'S BUSINESS 461,416	 36,699	 136,011	 177,705	 50,542
FORTUNE 180,558	 13,432	 63,325	 55,194	 34,496
BUSINESS WEEK 133,768	 11,767	 48,449	 42,528	 13,229
U. S. NEWS 207,155	 13,761	 56,800	 75,353	 27,633
DOMINATE THE BUSINESS MARKET—Use all Four				

Figures from December ABC Statement.

*Free — "Consumer
Selling Technique in
the Business Market"*
WRITE OR PHONE

Nation's Business

WASHINGTON, D. C.

*O my American friends, hold on
firmly to your institutions and to
your customs, because they are good.*

ANDRÉ MAUROIS



It's an Old American Custom

LAST SUMMER André Maurois, noted novelist, made his last public appearance in America before returning to his native France. Addressing the graduating class of the University of Kansas City, he praised our American way of life—its institutions, its customs and its ability to maintain order without tampering with liberty.

One of these institutions is the local Chamber of Commerce. Since the inception of the Chamber movement in America in 1768 in New York State, local Chambers have been real leaders in the fight to preserve our democratic heritage and our independent, patriotic business system.

The Chamber of Commerce in your community is one which has been working to make your city a better place in which to live . . . a place where business thrives. It wants to keep on doing that.

▶▶ NO matter how good your Chamber manager is, he can't do his most effective work without your help. Ask him what you can do. Then if you want to dig deeper into the possibilities of Chamber work, read "Local Chambers, Their Origin and Purpose." Send for a copy. It's free.

**Chamber of Commerce of the
United States of America
WASHINGTON • DC**



was adopted widely during the war years.

With the termination of the War Labor Board, unions and employers believed the gloves were off. Many companies attempted to get out from under maintenance of membership, and some succeeded. Some unions tried to throw out the War Labor Board arrangement and obtain closed shop contracts. Some disputes were compromised by the acceptance of compulsory dues collection, under which management had to deduct union dues from workers' pay envelopes and turn them over to the union, but was not required to discharge anybody for getting in bad standing.

Sometimes employers demanded "company security" in the form of union pledges to refrain from outlaw strikes and to discipline obstreperous members and local officers.

In these controversies much energy was used up and heat generated, but usually neither side succeeded in making much change in existing arrangements.

The outlook in this field is too obscure to permit predictions. Thus far, there is no uniformity in the proposals either of unions or of employers. No definite trend in any direction is observable. Probably some progress will be made toward union responsibility, since labor leaders are sensitive on this point and realize that many hard-won gains may be lost if the public is alienated still further from the union cause. Whether maintenance of membership will become a permanent part of the labor relations picture is a question upon which no one who valued his reputation would be willing to hazard a forecast.

Conflicts in 1947

THUS 1947 will be far from a tranquil year in labor relations. There will be conflicts of interest, clashing demands, threats, controversies, strikes.

Unions will not obtain all they want, nor will management regain its former control of industry. Some old quarrels may be settled, but new issues will arise.

Already, however, a start has been made toward equalizing the power of management and labor, and toward building up orderly procedures for the adjustment of disputes.

Collective bargaining gradually is developing routines and precedents, and its practitioners on both sides are gaining in skill and mutual understanding.

★
BIG CITY?**small town?**★**ADVANTAGES**

1. Well-developed industrial districts.
2. Quick service from suppliers and sub-contractors.
3. Large pool of skilled labor.
4. Trained executive personnel available.
5. Buyers prefer to visit centralized industrial districts.
6. Better transportation.

ADVANTAGES

1. Better employee relations.
2. Shorter home-to-job distances.
3. More room for expansion.
4. More stable labor supply.
5. More healthful environment.
6. Less traffic congestion.

YOU GET THE **BEST** OF **BOTH** IN LOS ANGELES

No question about it—small towns *do* have advantages ... but so do big cities. Los Angeles is unique because it offers industry the best of both.

For Los Angeles, with the West's greatest concentration of population, trade, and industry, has all the important "big city" advantages. And to the usual "small

town" advantages, add Los Angeles' superb climate and proximity to mountain, beach, and desert playgrounds.

So, if you're weighing big city against small town, let us tell you the complete Los Angeles story. Our industrial engineers will answer your questions... will make surveys of available plant sites, markets, materials.

Los Angeles

IN THE WEST



IN YOUR INDUSTRIAL FUTURE

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"Serving the water and power needs of 1,805,687 citizens"

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ADDRESS _____

CITY & ZONE _____



PRESENTING NEW MODELS IN ENAMELED IRON AND STAINLESS STEEL

New, streamlined Bradley Washfountains in glistening white enamel and sparkling stainless steel are now ready for your washrooms. They have all the features of cleanliness and economy of space and water that have made Bradley Washfountains *the standard* group-washing fixtures. They cut piping, reduce maintenance—and provide the utmost in sanitary washing facilities. Bradleys are nationally distributed through plumbing jobbers.

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Washfountains

BRADLEY WASHFOUNTAIN CO.
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ENGINEERING
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ELECTRONIC CORPORATION
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Style Master Steel Suite
in Neutra-Tone Gray
Harmonizes with any
Decorative Treatment

"HOME is where your hat is"

Of course your office is never really like home, but it is where you spend most of your waking hours, and furnishing it is well worth your most careful attention. Every piece of equipment should be hardworking and useful—but the whole should give you the relaxation and comfort that comes only from well-designed harmony.

"Yand E" is a leader in the design and manufacture of efficient office equipment: Neutra-Tone Gray finish is one more refinement in the "Y and E" tradition of functional beauty.

YAWMAN and ERBE MFG. CO.
1043 JAY STREET • ROCHESTER 3, N. Y.
Foremost for More Than Sixty-Five Years

Chest Urges Aid To Meet '46 Goal



COMMUNITY Chests raised \$790,-000,000 in four wartime campaigns. Of this amount, \$534,000,000 went for health, welfare and recreation services at home and approximately \$256,000,000 to national and international war services. During three of the war years, Community Chests—as War Chests—appropriated more than \$195,000,000 for the National War Fund, or about 60 per cent of all the money raised by that organization.

People have turned to peace

IN the first postwar year of their operation Community Chests this fall must overcome the feeling of many people who volunteered to help under the stimulus of war, that now it is time to turn from altruistic endeavors to their own pursuits.

Actually, a letdown in giving to War Chests set in a year ago, largely because of "reconversion jitters." Reports indicate that the aggregate raised by the War Chests last fall will not reach the \$200,000,000 mark. Yet preliminary estimates of the needs for this year's campaigns show that nearly \$170,000,000 must be raised.

The postwar period has imposed added burdens on health and welfare services of the Community Chests. National figures show that two out of every ten marriages are ending in divorce. There has been a large increase over 1939 in the arrests of boys and girls under 18.

This is a healthy country, but some of the so-called degenerative diseases are actually on the increase. A large share of the burden in this field—home nursing, clinical treatment, hospitalization—falls on the Community Chests.

Back at the turn of the century, when the family next door was beset by sickness, accident or death,

the neighbors helped as best they could. It was believed in those days that a basket of food, a few clothes, some fuel, could solve nearly any problem that arose.

Perhaps this was close to the truth in the cities of those times when populations were relatively small and life less complicated. But, as urban populations increased, the need for better organized activities made itself felt.

Chest grew with war

THEN came World War I and with it the need for even larger sums of money to support the war activities necessary both at home and abroad. With this need came the idea of federating war and local appeals into one united campaign for funds.

Community Chests were organized. They did yeoman service in World War I. Thus started, the Chests developed in the interim between World Wars I and II.

When the second world conflict broke out they were ready to join with the National War Fund in raising the money necessary to the support of war activities designed to help morale in this country.

Today, under the banner of the Red Feather, the operations of the 10,000 health, welfare and recreational organizations receiving Chest support reach every year in their areas 40 out of 100 families. Supporting these services with their pledges are approximately 20,000,000 residents of the 849 communities in which there are Community Chests.

The "producing" agencies, or

Red Feather Services of the Chest as they are called, provide leisure time activities and recreational facilities for adults and youths; family services, care of the sick, homes for the aged.

Among the usual Red Feather Services of Community Chests are: aid to the handicapped, Boy Scouts, Girl Scouts, Camp Fire Girls, child guidance centers, clinics, community centers, hospitals, social hygiene societies, summer camps, Traveler's Aid, Visiting Nurses and the like.

Community Chests are united nationally through an association known as Community Chests and Councils, Inc.

Self-rule locally

THE local Chests are autonomous and may reject the recommendations of the national budget committee. But they have in these national findings the results of careful study and thought and are likely to follow the committee's recommendations.

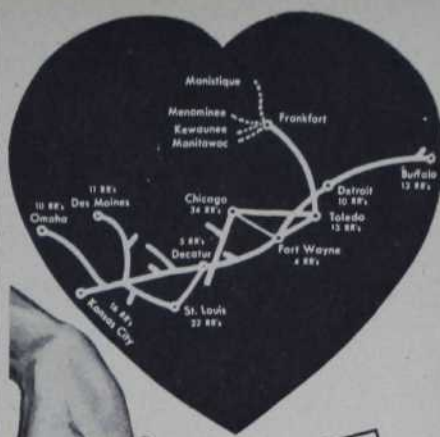
Last fall's campaigns resulted in the collection of nearly \$200,000,000 in the final year of operation for the Community Chests as War Chests. It was gathered in by the million or more volunteer workers in pledges ranging from a school child's few pennies to gifts going into six figures.

In many cities this year, Community Chest campaigns will be seeking funds not only for the local Red Feather Services, but also the USO and a few foreign relief organizations. The USO has been asked by the Army and Navy to continue through 1947 its program on behalf of wounded veterans in hospitals, trainees and troops on active duty here and overseas. About \$10,000,000, it is estimated, will be raised by Chests toward the USO total of \$19,000,000.

The \$170,000,000 needed this year is a measure of the size and scope of the Community Chest movement today, as compared with its early beginnings during and shortly after World War I. With 10,000 organizations looking to them for at least part of their financial support, Community Chests face a huge postwar job.



"I want you to eat plenty of meat—and if you find a store that has any, let me know"



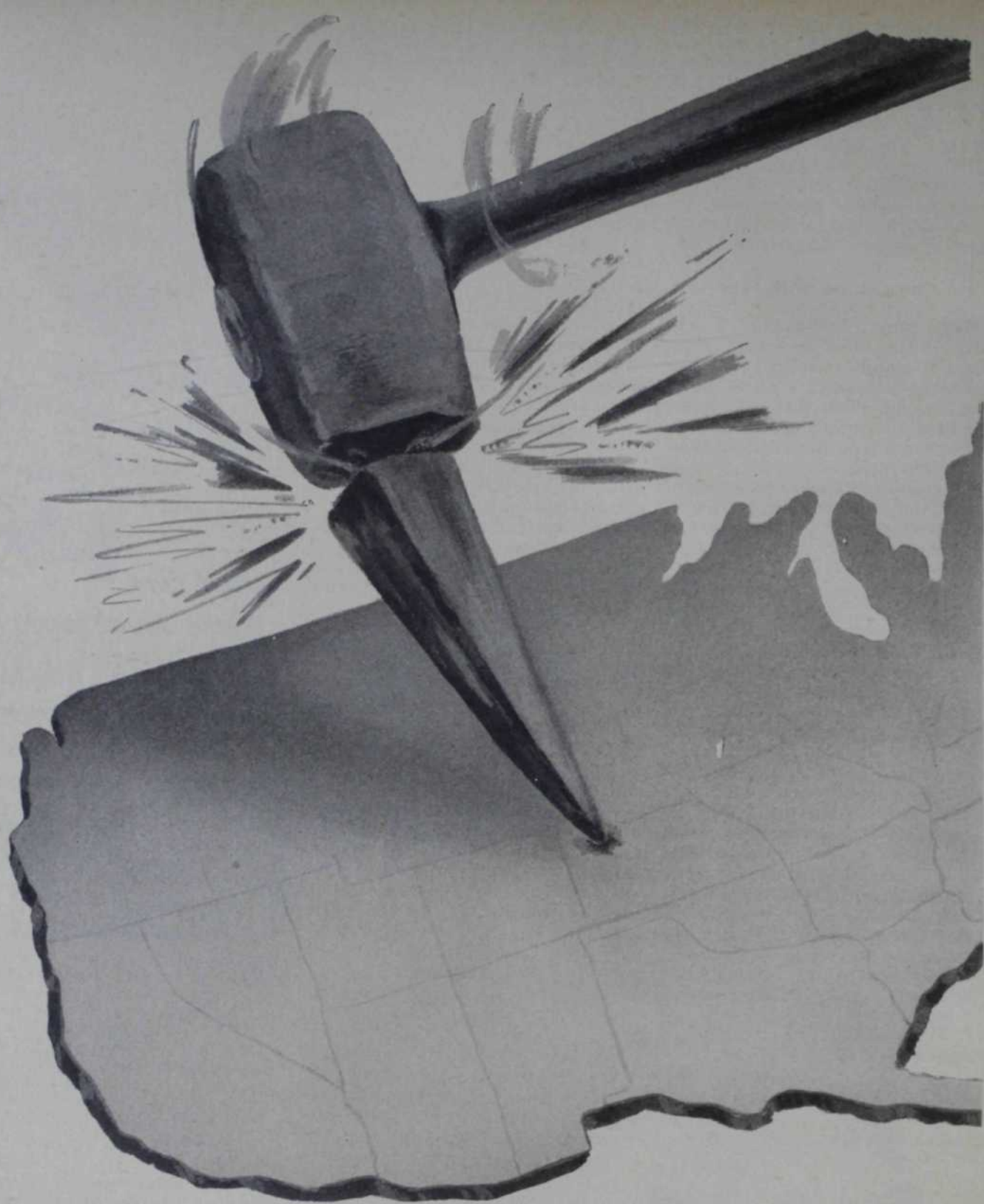
You'll find these advantages in "THE HEART OF AMERICA"

Labor Supply <i>Good</i>	Transportation <i>Excellent</i>
Power and Fuel <i>Abundant, Inexpensive</i>	Material Supply <i>Good</i>

HERE, in the "Heart of America"... close to the population center of the United States, centrally located for quick, low-cost distribution of your product, you'll find many attractive plant sites. They're located in communities anxious to cooperate with you... communities made up of intelligent, skilled workmen to man your plants... and manufacture your product at a cost that will enable you to sell at a profit.

The many inherent advantages of these communities are complemented by the fast freight and passenger facilities of the Wabash. For full particulars on sites in "The Heart of America," call or write H. H. McIntyre, Industrial Agent, Wabash Railroad Company, Room 1448, Railway Exchange Bldg., St. Louis 1, Missouri.

WABASH RAILROAD
Serving The Heart of America



STAKE OUT **your** CLAIM

in this great industrial empire!

The emergencies of World War II compelled your government to build a great industrial empire—production facilities of great number and variety.

With these emergencies ended, your government set out at once to offer these war-built plants for sale or lease to private enterprise . . . which is as it should be.

A number of these properties have already been disposed of. Others are available . . . still others will be so offered.

Spotted across the nation (in nearly every state) each of these plants possesses specific advantages. Some are large, some small. Many represent the very latest in modern structural design and equipment. Others, acquired as existing facilities, are varying less modern. But all are adaptable to some productive use.

Your government wants to satisfy your needs . . . and liquidate its industrial holdings . . . *quickly*. Accordingly it is offering its surplus plants under genuinely flexible conditions and terms. All are offered for sale or lease. Many are offered in whole or part. Some are designated for multiple tenancy. And credit terms can be arranged.

The unusual flexibility of these conditions and terms is designed to help the small business man particularly. As a further aid, small business has been given a high priority to purchase these plants. Our regional offices will advise you how to obtain this priority certification.

The War Assets Administration invites proposals on all surplus plants. Watch this agency's advertising for specific kinds of plants. Contact and make known your plant needs to the office nearest you TODAY—see listing below.

Write, phone or call for the PLANT-FINDER, a fully indexed, descriptive catalog of Government-owned plants.



WAR ASSETS ADMINISTRATION

OFFICE OF REAL PROPERTY DISPOSAL, WASHINGTON 25, D. C.

Principal offices located at: ATLANTA • BOSTON • CHICAGO • CLEVELAND • DALLAS • DETROIT • KANSAS CITY, MO. • LOS ANGELES • NEW YORK • PHILADELPHIA • PORTLAND, ORE. • RICHMOND • ST. LOUIS • SAN FRANCISCO
Local offices located at: Birmingham • Charlotte • Cincinnati • Denver • Ft. Worth • Helena • Houston • Jacksonville • Little Rock • Louisville • Minneapolis • Nashville • New Orleans • Oklahoma City • Omaha • Salt Lake City • San Antonio • Seattle • Spokane

181-1

The Lord is Her Business Partner

(Continued from page 60)

settled and women flocked again to buy the paint cleaner. Suddenly jobbers, distributors and grocersmen from all over the West began ordering and reordering and almost overnight the Nymans found themselves wealthy.

They built an immaculate new factory—white-painted inside and out—enlarged their staff to 60, and since then have been running their company in the fashion they think will please God most. The lowliest janitors are paid a minimum of \$1 an hour. Supplies and equipment are bought from small companies that helped the Nymans when they had nothing—to the perplexity of vendors who offer lower prices.

Friendly with employees

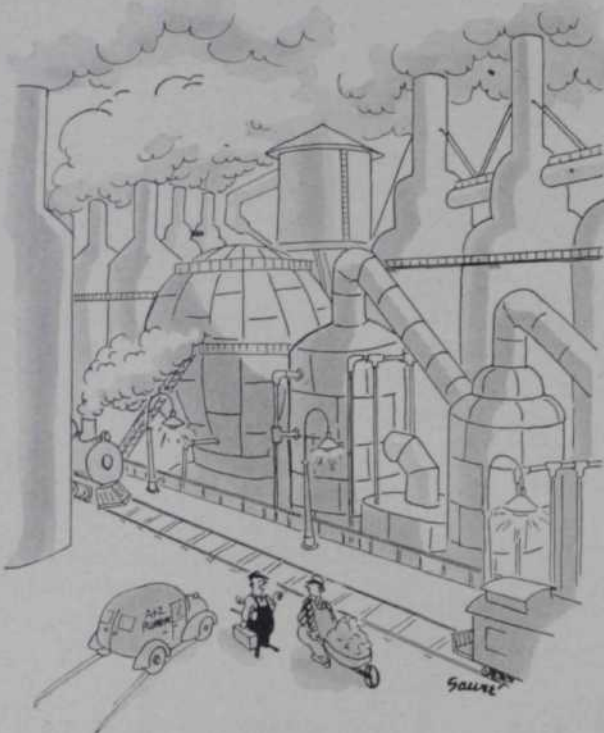
CAMARADERIE runs riot within the company; the Nymans are constantly inviting factory and office workers home to dinner, and accepting reciprocal invitations. No visitor to the Nyman ranch can decline a proffered basket of free fruit without being argued into a coma. Any caller at Mrs. Nyman's office, no matter how eminent, is introduced to every clerk and bookkeeper in sight. Whenever the Nymans take a business trip, they write a chatty letter daily to the employees, mingling gossip about their business deals with reports on the shows they have seen.

This spirit of chumminess may have saved the company during the war years when other non-essential industries were going under. Whenever the Nymans needed anything, people sprang forward to help. A factory mechanic devised a turntable in his spare time that solved a tangled production problem. Employees spent evenings scouring the town on foot and bicycle to find used cardboard boxes when the company's supply of packing cartons was cut off. The factory crew somehow managed to squeeze out an extra carload of paint cleaner whenever it was needed to fill a rush order.

Divine providence also seemed to play a part in solving several problems which apparently were be-

yond human help. Steel conveyors were needed desperately in the factory, but they were a priority item, and there seemed no hope of getting them. Vera prayed. Bernhard was startled one morning to see a neatly wrapped set of conveyors delivered to the factory door. Unknown to him, Washington had removed priorities from this item for ten days, then hastily clamped them on again. Months before Bernhard had ordered conveyors, and by fairy-tale luck his order had arrived during the ten days when priorities were off.

Likewise, the factory had to have a bottling machine, but none was for sale. The Nymans shrugged and told each other the Almighty would take care. Soon a friendly machinery salesman told them a nearby plant was cancelling its order for a prewar bottling machine; if the Nymans wanted it they could have



"Someone send for a plumber?"

it. They bought the machine only to discover that they must have a capper. Bernhard found the necessary parts in a junk yard.

Accountants still cannot understand the fiscal luck of the Nymans. During the long uphill years Vera extended credit with happy abandon, shipping great quantities of her product to unknown grocers and wholesalers without ever asking for references.

When one was slow to pay she wrote him that she had extended credit because she had faith in mankind; would he want to be the first to spoil that faith? This simple system worked so efficiently that in all the years she has been in business, Mrs. Nyman has lost only \$200 on bad debts.

The biggest financial problem of her life came last year, and she solved it with the same iron faith with which she battered down all previous difficulties. This time there was a \$100,000 deficit to be met.

Selling was necessary

IN 1943, some friends had contracted to manufacture her paint cleaner in Decatur, Ill., paying her a royalty on sales. Royalties rolled in, but Mrs. Nyman eventually learned that most of her bottles were gathering dust on Illinois grocery shelves because of lack of advertising. The Decatur group refused either to advertise or to take back the unsold bottles. Grocers were angry, jobbers were discouraged.

Mrs. Nyman could have relaxed in California and continued to cash her royalty checks. Instead she rushed to Decatur, bought out her friends for \$67,000 and took over management of the plant. This virtually wiped out her bank account and left her with no money for advertising.

At this point another wealthy friend offered \$100,000 for a third interest in the Decatur factory. She accepted and went to Chicago to close the deal. But just before she was to sign the contract she excused herself for a few minutes, then returned and announced the deal was off. She had prayed for guidance, and the thought that came to her was, "Go tell him you don't need him. The money will be provided."

The next morning a telegram arrived from her jubilant employees in Glendale. Sales figures showed a 58 per cent gain. Enough money was in the bank to start the advertising campaign. More profits poured in soon; the first six months of 1945 were 46 per cent higher than the previous year—which meant that exactly \$102,000 became available for advertising.

By the beginning of 1946, Mrs. Nyman's paint cleaner was being

used in every third home in the 11 western states, according to an independent survey. If her gross sales follow their present curve, they will hit \$3,000,000 this year. They are likely to go higher, because she now has a far-flung brokerage organization thrusting her product into grocery stores in all 48 states.

Today the Nymans are living on a ranch in the Verdugo Hills, watching the money cascade in. Each morning they drive to the Glendale factory in a limousine and put in eight hours of work. They begin by stopping at workers' benches for a personal greeting and chat. If a big order comes in during the day, they rush forth to announce it, and there is as much whooping and handshaking among the employees as if each had personally inherited a stipend from a rich uncle.

Big orders mean bonuses

FREQUENTLY a big order means a bonus for the Nyman labor force. Giving things away is a favorite pastime of Vera and Bernhard. During the war they showered candy, cigarettes and even portable radios on service men. Whenever Vera returns from an eastern trip, she brings each girl a handbag or pair of gloves; or if she hasn't found anything she considers suitable, she simply presses \$25 or \$50 into the girl's hand and commands her to pick out something for herself. At Christmas, the Nymans give a savings bond to each worker.

"The people who get along in our company are the emotional kind," Mrs. Nyman once observed, and a spectator is convinced when he sees the hallelujah-brother spirit that pervades the organization. Executives spread the gospel wherever they go. The sales manager once was heard to expound the virtues of the Nyman paint cleaner to a Waldorf-Astoria elevator girl, and another executive recommended it to waiters in New York's fabulous Stork Club. Once

Mrs. Nyman cleaned half of her hotel room, then left the other half untouched as a silent advertisement to the hotel management.

When Mrs. Nyman feels that matters are not being conducted according to the will of the Lord, she can become as rampant as Carrie Nation. Once she was dining in a majestic Hollywood restaurant when she noticed that movie stars present were receiving lavish helpings of butter while other guests got none. She summoned the management and made clear, with ample sound effects and gestures, that if any more butter were served she would personally convert the restaurant into a shambles.

Another time she was notified by her advertising agency that it would be forced to give up her account because an older and larger client had decided to manufacture a competing paint cleaner. The account executive who broke the news will not forget the experience.

"Brother, there was an earthquake," he said afterward. "Before that woman got through talking, I needed medical attention."

Mrs. Nyman demanded that the other client (whose advertising budget soared into the millions) be forced to give up the agency; failing in this, she tried to buy out the agency executive and set him up as her private counselor. Likewise balked, she made horrible threats of assorted law suits, and did not subside until months later.

"I was like a jilted woman," she says now.

The Nymans are happily absorbed in their business. "Some people claim a business woman without children can't make a success of marriage, but our marriage has been a huge success," Vera said recently. "We spent 15 years building this business together, and it always gives us plenty to talk about in the evening."

Bernhard nods solemnly. "We get along fine," he agrees in his slow, musical Swedish drawl. "I'm the only child, you know."

Industrial "Horse Trading"

WHEN Lyons Metal Products, Inc., manufacturers of shelving, lockers, cabinets, conveyors and other sheet steel products, found its production facilities far exceeding its current steel receipts, a "horse trading" campaign was instituted to swap finished products for steel.

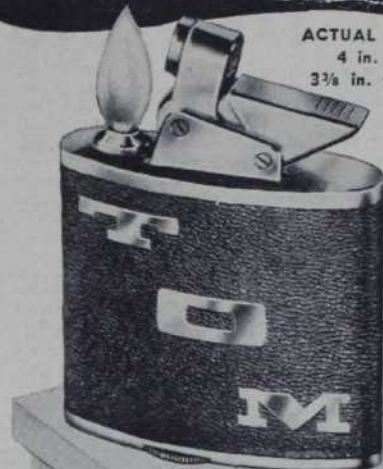
Customers are told that, pound for pound of sheet steel furnished, which can be used on one or more

Lyons products, they can select any item in current production. When steel is supplied in sufficient quantity to allow production runs, products are made to specifications.

The campaign, sparked by the company's advertising and sales forces, is not a panacea for the company's raw material difficulties, but it is digging out sheet steel that has been tucked away.



ACTUAL SIZE
4 in. high
3 3/8 in. wide



Galter

SEMI-AUTOMATIC

GIANT

DESK

Lighter

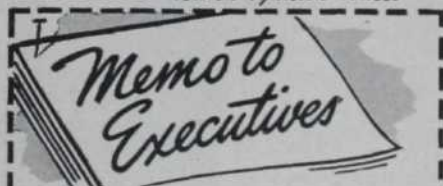
\$5

INITIALS SLIGHTLY HIGHER

Needs Only 4 Fillings A Year!

Of smart, modern design, the GIANT is a practical, handy, dependable lighter. Ideal for your desk . . . and in your home, too! Covered in simulated leather; black and tan. Heavily chrome plated. At better stores everywhere.

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☆ The GIANT Lighters make an excellent gift for your 1946 goodwill advertising. These can be supplied with individual chromium initials or with embossed firm name imprinted—or both, if desired.

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336 W. Hubbard St., Chicago 10, Ill.

Great Britain's Vicious Circle

(Continued from page 52)

modern machines and production methods.

In the face of ever higher costs of production and, as a corollary of lost markets, British industry before the war was placing more and more reliance on fixed prices, sharing of markets and the stifling of competition. Every coal mine in England was, before the war, given its quota of production and the price at which it could sell its product was designated. The industry also had cartel arrangements with coal exporting countries, such as Poland, and shared, on a quota basis, foreign markets such as those of Scandinavia.

Stifled competition

IN 1939, the cotton textile industry got Parliament to pass the Cotton Reorganization Act which made the industry safe from competition. No one not registered in cotton at a certain date could thereafter enter the industry under penalty of exorbitant fines. No goods could be sold below an established minimum price.

Similarly, the iron and steel industry was a closely knit combine. The prices it was able to charge domestic customers were so exorbitant that American manufacturers found no difficulty in invading the English steel market after hurdling tariff barriers and paying the American workman wages three and four times those of his British counterpart. The industry protected its dwindling export markets by joining the European Steel Cartel, the prime moving spirits in which were the steel combines of Nazi Germany.

An official of the British Iron and Steel Institute spoke glowingly of this agreement before a technical American steel organization in New York in May, 1939, a few months before the outbreak of war. Referring to the British combine, he said:

"It was at last possible for the industry to speak with one voice in negotiating an agreement with the International Steel Cartel. This agreement assures British exporters of a fixed proportion of

total export sales by the cartel in all markets. . . . The spirit underlying our agreement has permitted an elasticity of supply and a better stabilization which could not, I believe, have been obtained under an uncontrolled system."

Thus throughout British industry! The restrictive practices of British unionism which prevented the modernization of equipment and low-cost production was countered by British management with restrictive practices which shared markets, limited output and set a premium on products in short supply and produced at costs unwarranted by development of modern production techniques. British law approves of the same sauce for the goose as for the gander.

It is no more illegal in England for management to combine to restrain trade than it is for labor.

The restrictive policies of both British labor and management have at last resulted in their logical consequences. The outputs of certain key industries are becoming progressively less.

The country suddenly has come to realize that its standard of living will become cumulatively lower, unless it produces, and there is a cry for productivity. Trade unions also are becoming more receptive to a streamlining of wage agreements.

This new urge for productivity generally assumes it to be productivity in the American manner. It will be productivity based on horse-



"There's a man at the door who wants to know if you want any peanuts, popcorn, or crackerjacks"

power not manpower. For the past couple of years one technical committee after another, appointed to diagnose the many ailments of British industry, has advised the emulation of Uncle Sam's production techniques.

The need for modernizing equipment has given the Socialists their strongest argument for their nationalization program, or, where nationalization is not immediately contemplated, for interfering with the private plans of operating an industry.

The sums needed for streamlining the various industries are so colossal by British standards and the industries for many years have had such an unsatisfactory profit record that private capital would not be forthcoming in the quantity nor in the time required.

But, unless Britain can raise her level of industrial productivity almost immediately, the situation will be extremely tragic. Modernization of equipment is the only thing that can do it. For this the coal industry must find \$600,000,000 within the next three to five years, the steel industry some \$800,000,000, the cotton industry some \$300,000,000 and so on through other industries.

Government helped labor

FREE enterprise, functioning properly and looking to meeting competition with efficiency rather than taking refuge in restrictive practices, would have spread this modernization program over the years and not driven industries into becoming the indentured servants of a socialistic government. It is this aspect that justifies the description of British nationalization as free enterprise in receivership.

Pipe Line For Liquid Carbon Dioxide

CARBON DIOXIDE, normally a gaseous material, is now being piped as a liquid under pressure directly from producer to consumer.

This unusual supply procedure has been made possible by the installation of a quarter-mile pipe line running from Liquid Carbonic Corporation's new plant at Belleville, N. J., to the storage tanks of Walter Kidde & Company, Inc., manufacturers of fire protection equipment.

The pipe, standard two-inch steel with welded joints, has been placed largely underground to

Had Britain listened to wise counsellors after World War I, when the situation was somewhat similar to what it is in the U. S. today, her industries might not have been in the impasse in which they find themselves. After World War I, British trade unions exploited the strength they had acquired during the war. The Government intervened in trade disputes almost invariably on the side of labor.

More production needed

THE warning of Professor Bowley in his book on "The Division of the Product of Industry" went blissfully unheeded by the British. More than a quarter of a century ago, when the Government of the day was openhandedly authorizing wage advances irrespective of whether they were economically justified, he preached that the wealth of England, however divided, was insufficient for a general high standard of living in that country.

The most important task, "more important immediately than the improvement of the division of the product, incumbent on employers and workers alike," was to increase the national product. At long last, British workers and employers are beginning to see the economic truth that restrictive practices do not make for higher standards of living and that the solution is a greater production of goods which every member of the community can share.

The realization seems, however, to have come too late. Into the picture has now intruded the specter of state control with all that it will eventually mean in the inevitable curtailment of the traditional freedoms.

benefit from the normal insulating characteristic of the earth. To keep the carbon dioxide at a low temperature and to prevent condensation, the pipe is well insulated with asphalt paint and two layers of tar paper. The sections of the pipe line above ground have, in addition, eight inches of cork covering.

The pipe will provide carbon dioxide more efficiently than ever before by eliminating handling and shipping problems.

Previously, carbon dioxide had to be delivered by truck or rail in heavy, bulky pressure tanks.



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Common Stock Dividend No. 123

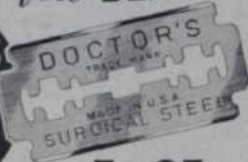
A cash dividend declared by the Board of Directors on September 11, 1946, for the third quarter of the year 1946, equal to 2% of its par value, will be paid upon the Common Capital Stock of this Company by check on October 15, 1946, to shareholders of record at the close of business on September 27, 1946. The Transfer Books will not be closed.

E. J. BECKETT, Treasurer

San Francisco, California

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Maybe There is a Utopia

By HAROLD HELFER

**PAGE Mr. Ripley. Here's a
land where everyone is at
work, budget is balanced,
and crime is small-time**

PEOPLE keep dreaming of the day when there will be a Utopia in this world, a land where there'll be no armed forces, no fortifications, no unemployment, no deficit, no illiteracy, no crime.

Well, there is such a land and has been for some time. And maybe it's a country you ought to know about now, because it's going to be more and more in the news.

The place is the Republic of Iceland. It has no army, navy or air force, or any military establishment of any kind; everyone is employed; its budget is balanced; every man, woman and school-age child can read and write.

It is not quite accurate, perhaps, to say that crime does not exist altogether on this island. Some petty burglaries do occur, but major crimes such as is the problem of other countries are almost unknown. The last murder to occur in Iceland took place in 1928. A burglar killed his victim. It is still talked about.

If there is any doubt about this country's uniqueness, consider this: It is not seeking a loan from the United States.

Bleak country?

AH, wonderful, a truly wonderful country, you say, but what good is it all—it's such a bleak, frozen and remote country.

Well, maybe this will surprise you, but Iceland's climate is quite temperate. You see, although it sits up there at the rim of the Arctic and sometimes gets itself surrounded by ice floes and glaciers, a warm water current from the gulf stream plays around its shores. Consequently, its winters are about the same as those experienced in Philadelphia. In its summer season—June, July, August—the thermometer sometimes gets into the 70's. The mean all-year-round temperature is 39.4 degrees.

There is, however, this strangeness about Iceland, peculiar to the upper Northern region: Its winters are practically all night and its summers all day. In the summer people go to sleep by their clock instead of the coming of darkness;

the evenings are as light as the mornings. In the dead of winter there is only about four hours of light out of every 24.

As far as Iceland being a remote place goes, this may have been true at one time, but is no longer so. In this air-minded world of today, Iceland is considered one of the most vitally strategic spots. It played a dominant part in the struggle for the control of the Atlantic in the last war. In the new era of rockets and atomic missiles its strategic importance becomes even greater and it is bound to come up for considerable discussion at future meetings of the big powers.

Iceland became the first nation to rebuff Hitler successfully when, in 1939, it turned down Germany's request for the establishment of an air base there. The United States, which occupied Iceland during the war, frankly would like to continue to use Iceland as a base. Iceland frankly would rather it didn't.

Although it was nominally under the rule of Norway or Denmark for many years, Iceland is a country that always has set a great store by independence and self-government. It is the oldest democratic form of government in the world. The Althing, its parliament, was created in 930 A. D., when monarchy and feudalism held sway and America was as yet undreamed of.

Settled by Irish

A GREAT many people have the idea that Iceland is inhabited mostly by aboriginal Eskimos living in igloos. This simply isn't so and never was.

Now get a hold on your seats: Do you know who the first people to live on that island were? Irishmen! Shortly after 800 A. D., some Irish monks came to the island to escape the worldliness of their own country.

Seventy years or so later Scandinavian Vikings began to arrive in Iceland. The first to make his home there was a Norwegian, Ingolf Arnarson. He brought with him the main posts of his house and when he sighted Iceland threw them over, declaring he would settle wherever they came to shore. The place where he set up his homestead he called Reykjavik, which is now the island's capital and has a population of 48,000.

The stream of immigrants that followed was so great that within 60 years the land was fully occupied. In fact, it became too crowded to suit the monks and they abandoned Iceland.

Apparently, though, the Arctic island had made a pleasant impression on them because sometime afterwards a number of Irish and a few Scotch families migrated to Iceland. To this day, among the Thordarsons, Sturlussons and Steffansons, occasionally can be found an O'Hara. The ways and manners of the people are predominantly Scandinavian, however, and only a few Celtic words have stuck to the language, which is among the purest languages of the world.

Population 130,000

THE ICELANDER today is fair and well-built and could pass for an American of the middlewest. He is probably either a fisherman or a farmer and more than likely lives on the southwest coast. Four-fifths of Iceland is made up of rugged mountains and volcanoes and is uninhabitable. The entire population of Iceland is 130,000, scarcely more than a sell-out crowd at a big football game at Soldier's Field in Chicago. The entire island is no bigger than the state of Kentucky.

Fishing is the dominant factor in the Iclander's life. Iceland's waters abound with cod, herring, haddock, halibut and perch and even some whale. At one time it was one of the leading fishing countries in the world, and although many of its vessels were destroyed during the war, it hopes to reach again its place of eminence. Fish oil and fish meal are its two big industries.

Only a small amount of vegetables are grown on the island, mostly potatoes and turnips. But there is considerable livestock activity. In 1943, when the last census was taken, there were 40,000 head of cattle, 622,000 sheep, 61,000 horses, and, in addition, a fairly large number of goats, pigs and poultry.

The Icelanders are an industrious, hard-working people. They are nearly all Lutherans, although there are a few Catholics. Family life is cherished and divorce is uncommon. Their big sport is soccer football and they like motion picture theaters, which show mostly American films. But perhaps their No. 1 pastime is reading. In Iceland there is one publication for every 466 inhabitants, while the number in the United States is one in 12,497.

The Iclander's thirst for knowledge is reflected in the fact that of the 30,000 persons of Icelandic origin living in the United States and Canada—where there is more opportunity to make a livelihood of knowledge than in Iceland—nearly all of them are professional men, such as doctors, lawyers and teachers.

Little migration

INCIDENTALLY, except for very early times, there has been no large migration from Iceland except for a period in the latter part of the 19th century when the United States and Canada, entering their biggest period of expansion, lured people from throughout the world. However, there was a time when Icelanders had more of the wanderlust.

In 986, under the leadership of Eric The Red, they founded colonies in Greenland, and it is recorded in Iceland that one Thorfinn Karlsefni 15 or 16 years later made an attempt to establish a colony in North America. Thorfinn, however, apparently decided that our continent didn't quite stack up with Iceland and returned to his country with his son, Snorri, who, according to Icelandic accounts, was the first white person born in America.

There are some who consider that Iceland not only has the oldest, but also the purest form of democracy. The president is elected every four years, the same as here, but some believe that the people have more of a voice in the measures that are passed. If the president fails to sign a law that has been passed by the parliament, whose members also are chosen every four years, then the measure goes to the people for decision at the polls.

It is compulsory in Iceland for every child to go to grammar school and high school, and the University of Iceland is free to anyone who wishes to attend. It is written into the constitution that if men are unable to support them-



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Simultaneously, the USO is seeking funds to continue its services to our armed forces in hospitals, in training and at outlying bases. Services of its clubs to new inductees, the convalescent wounded, at station lounges for troops-in-transit, to wives and families of men in the armed forces, and USO-Camp Shows in hospitals must go on.

Give generously to the USO and your Community Chest.

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selves and their dependents, such costs must be met from public money. There is absolute freedom of the press.

There are a number of small countries in the world who could not stand up against aggression but who have armies anyway, just for show. Iceland, however, would rather skip the show and spend its money on education, roads and general improvements.

Iceland has many waterfalls and is harnessing them as a source for electrical power. Its electrical output on a per capita basis compares favorably with modern countries. The ingenious Icelanders also are taking advantage of their numerous geysers and hot springs by piping the warm water to the homes to provide heat.

Recently, the Republic of Iceland applied for admittance into the United Nations. It could have, if it chose, declared war on the Axis powers at the last minute when victory was in sight, like some countries did, but this it declined to do. The reason for Iceland's position in this matter is explained by Thor Thors, Iceland's minister to the United States, as follows:

"We felt this a ridiculous proposition. Such a small nation cannot declare war. We are constitutionally committed to neutrality. We would have felt like fools if we had said, 'Me, too,' at the end just to get on the bandwagon."

Aid for Allies

NEVERTHELESS, Iceland did play a part—and a not inconsequential one—in the Allied victory. It sent 250,000 tons of fish a year during the war years to hungry Britain, although in doing so Iceland's merchant marine lost one-tenth of its fleet and a number of lives equivalent to the United States' merchant marine losing 200,000 men.

And, since the war, little Iceland has contributed \$1,500,000 in food and cash to UNRRA.

But, although, as a democracy, its sympathy may have lain with the Allies, Iceland has made it plain that it does not like the idea of a permanent American base on its soil.

Nor does it want any other country to do this. But there is someone to whom Iceland would accord gladly the privileges of a base: The United Nations.

For the people of this small, off-the-beaten-path country, being true Utopians, are foremost internationalists.

The Role of Trade in World Peace

(Continued from page 42)

a private competitive basis. Nevertheless, we can live and do business with systems different from our own if we can obtain agreement to rules for the conduct of our mutual relations which ensure fair play. The difficulty which we have had in doing business with or in competing with countries having controlled productive facilities is that, through a variety of means, it has been possible for nationalized production to obtain unfair advantages both at home and abroad.

It is much easier for a state monopoly to conceal increased subsidies or other protection than it is for a state to conceal increased protection of private industry by tariffs or quotas. Similarly, state-trading bodies can discriminate among suppliers for non-commercial reasons.

A satisfactory working relationship between economies having different degrees of control will remove a principal obstacle to the development of good relations among nations. It will not in itself, however, suffice to fill the need in international economic life today, which is to speed up recovery and expand international trade. The trade barriers of the interwar period resulted in the restriction of the volume of goods moved, diversion of trade from normal channels, to the disadvantage of the most effective suppliers, and stimulation of uneconomic production. All of this must be prevented from recurring if the world demands for goods for consumption are to be met.

Restrictive barriers

THE principal forms of trade barriers imposed by governments are tariffs, quotas, and exchange controls; sometimes the use of subsidies has also operated as a trade barrier. Trade barriers are generally restrictive, often excessively so, and each type of barrier can be used to produce discrimination. A realistic international economic policy must include a program for their relaxation.

Restrictive intergovernmental commodity agreements also have obstructed trade unnecessarily and these agreements must be subject to agreed principles in the interest of the people. A program to prevent the operation of private restrictive agreements also is needed

if we are to foster world trade expansion.

In the "Proposals for Expansion of World Trade and Employment," government executive agencies have formulated a plan for improving trade relationships, including the establishment of an International Trade Organization. Its members would subscribe to undertakings designed to expand effective production, trade and employment and so lead to rising living standards.

It is our hope that the principles embodied in these Proposals will be adopted by all nations at the general International Conference on Trade and Employment expected to be held next year.

Trade organizations

GIVEN successful development of the other specialized international economic organizations which are projected or are now going concerns—the International Bank and the Fund, the Food and Agriculture Organization, the International Labor Organization, the organizations in the field of transport and communications—I think we shall have a comprehensive basis upon which industry and trade can develop here and abroad.

The experience of business is embodied in the proposals on trade and employment as it is in other parts of our economic foreign policy. Suggestions coming in from business organizations show how much study is being given to the proposals on trade and indicate an encouragingly large measure of support of the main outlines of the program. It is no exaggeration to say that the trade expansion program is a joint product of the Government and those directly concerned in trade. If this program succeeds, it will be a notable example of collaboration between government and industry and trade.

Such collaboration is a far more suitable method of formulating and executing economic foreign policy than either government or business utilizing or exploiting the other. It will constitute a notable contribution to recovery and the establishment of an expanding economy, both here and abroad, if this Government, with the backing of the people, can lead the trade expansion program to a successful conclusion.

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Frozen Foods on Wheels

By MARY JANE BRUMLEY

CAPT. Budd Mayer, while in Europe, came up with a new twist for an old idea. How he is now making it pay off is a success story come true



Everyone is happy as Mayer's service pleases a customer



Checking the day's business, especially when sales have been brisk, is a pleasant task for the owner and driver

A BUS, such as one can see in most any city, rolled slowly down a street in Arlington, Va., came to a stop at the corner. The driver opened a rear door, waited for several women to troop aboard. Then, instead of pulling away from the curb, he moved to the rear.

For this was no ordinary passenger bus. This was the brain-child of former Air Forces Capt. Budd Mayer. While on duty in Europe, Mayer read about a mobile grocery and decided that, upon his return to the states, he would try out the idea, only in a slightly different way. Last year Mayer came home, got a GI loan and went around to the Washington, D. C., transit company and bought an obsolete model 20-passenger bus. He had the interior dismantled and deep-freeze equipment installed.

Frozen food dealers were contacted and supply arrangements

made. The next step was to hire a driver, after which Mayer took over supervision of his new venture. The bus, known now as the Frostmobile, is on the road six days a week, covering the Arlington County area, just across the Potomac River from Washington.

The first thing that women customers find when they enter the bus are a number of wire baskets placed to the left of the rear door. These baskets contain staples such as mayonnaise, salad dressings, popcorn and package soups. Just beyond and opposite as one enters is a refrigerator cabinet of 15 cubic feet capacity. This contains butter, eggs and a variety of cheeses. A frozen food cabinet and the driver's seat occupy the remaining space on the left side.

On the right is another frozen food locker, flanked by bins filled with additional staples. Both

frozen food cabinets are of 30 cubic feet size and each is divided handily into three compartments.

There's no waste space and the passageway through the center aisle is wide enough for comfort yet compact enough to make all items readily accessible. And there's a wide range of choice. The Frostmobile carries all foods one might expect to find in a frozen foods store and all the old standbys except bread and milk.

Mayer hopes in the not too distant future to branch out with a fleet of Frostmobiles and Frostmobile Juniors. These will be offsprings of the parent bus and be in the form of small trucks similar to those used by ice cream vendors.

He's getting letters from veterans who have heard of his venture and want to know if it offers anything for them. Mayer answers that his business is like any other; it won't run itself and not everybody is fitted for it. But, to show how far "sold" on the idea he is, he says:

"If enough veterans got interested in the thing, and we got rolling, I'd be willing to give up the controlling interest. That's how good an idea I think it is."

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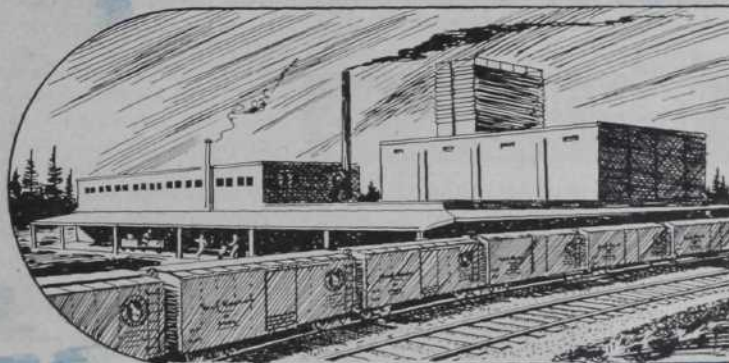
Ephrata and Quincy—midway between Spokane and Wenatchee, Washington—on the main line of Great Northern Railway, are twin capitals of the Columbia Basin project. These towns soon will be bustling with irrigation construction and other new enterprises.

New industries already are being located in this region to utilize the power from Grand Coulee and to be near markets made available by Great Northern's dependable service.

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Reading for Pleasure or Profit...

"Economics in One Lesson"

By Henry Hazlitt

MUCH tinselly economic theory, says Henry Hazlitt, rests on a childish mistake: the failure to look beyond immediate benefits to special groups and see their effect on the whole community. Farm credit, subsidies of all kinds, minimum wage laws, PWA's—a host of government innovations since 1932—appear, in Hazlitt's deft arguments, as one man's meat and every man's poison.

"Economics in One Lesson" (Harper & Bros., 49 East 33rd Street, New York; \$2) goes beyond its quarrel with the bureaus to deal with every other big economic issue of the day, from protective tariffs to "technophobia," the fear of machines. Each discussion ties back to the old truth that you cannot get something for nothing, that A's relief is B's tax. Perpetual motion machines are always phony.

But the nub of the argument comes late in the book, in Hazlitt's assault on the oversaving theory. This he should have put first, because, if "oversaving" were possible, many systems, which he attacks, of juggling the national wealth would take on a shade of plausibility.

For lay brothers the chief joy of reading "Economics in One Lesson" is its simplicity. Here is the most lucid, non-technical exposition of free enterprise economics in many a clouded season. The versatile Mr. Hazlitt schooled his clear-as-crystal prose as literary editor of *The Nation*, is now on the financial staff of the *New York Times*.

"Animal Farm"

By George Orwell

ENGLAND'S George Orwell, less concerned with political doctrines than human decency, has examined Soviet Russia, found there the concrete, moral horror which darkens the ironies of "Animal Farm" (Harcourt, Brace and Co., 383 Madison Avenue, New York; \$1.75).

This is a humorous fable. "Comrades," said Old Major, the prize white boar, "the life of an animal is misery and slavery... [but] remove Man from the scene and the root cause of hunger and overwork is abolished." So, shortly after Old Major's death, the animals drove out Farmer Jones, burned his whips and harness, and proclaimed an animals' state, singing together their revolutionary anthem, "Beasts of England."

At first each sowed and reaped according to his ability, joyfully sharing in the common store. But the pigs, being much the cleverest, assumed leadership. Soon conflict developed between two of them, Snowball (Trotsky) and Napoleon (Stalin). Snowball, who was de-

feated during the battle, fled from the farm. Under Napoleon the pigs assigned themselves extra rations; while they fattened, Animal Farm grew poor. A pack of dogs, whom Napoleon had trained since puppyhood, enforced his commands with bared teeth. The revolutionary motto on the barn wall, "All animals are equal," changed mysteriously overnight to read "All animals are equal, but some are more equal than others."

Of the more stupid animals, those who protested, like the chickens who dropped their eggs from the rafters as an act of sabotage, were put to death. Those who remained blindly faithful suffered no better fate than the horse Boxer (an Old Bolshevik), who was sold for bonemeal when he grew too old to work, to buy liquor for the pigs.

If "Animal Farm" could be circulated in Russia, it might well unseat the regime.

"All the King's Men"

By Robert Penn Warren

THIS is the tough, turbulent story of Governor Willie Stark—an idealized Huey Long—of his rise from the poor red clay of a southern state through corruption and power to sudden death in the marble hall of his State House.

Robert Penn Warren, a red-haired, lean-faced Tennessee writer, knows his South—its shanties and plantation houses, honky-tonks and dialect, dirt and glory. He knows his corrupt politics, too, and the clinical study of how bosses keep in the saddle, in "All the King's Men" (Harcourt, Brace and Co., 383 Madison Avenue, New York; \$3), is enough to flush a covey of good-government leagues.

Adam Stanton, an idealistic young doctor, brilliant and spotless, tangles with Stark, the great demagogue, to give "All the King's Men" its swift, melodramatic plot. It all begins when Dr. Stanton faces a question: does conscience allow him to accept the directorship of Stark's new, multi-million-dollar hospital, to do good with money won by evil? In this problem, and the tragic story which resolves it, Robert Penn Warren finds a larger meaning. The simon-purity of our idealism, and the low venality of our realism, he says, because they exist side by side but do not touch, create the central dilemmas, the "terrible division," of our age.

"Dinner at the White House"

By Louis Adamic

THERE was Roosevelt, at his most spectacular—magnetic, subtle, frivolous, the famous cigaret-holder tilted at

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a daring angle. There was Churchill, bulky, ill-tempered, largely taciturn, massively self-confident. Also there was Louis Adamic, Yugoslav immigrant and impassioned spokesman of immigrant groups, invited to dinner at the White House thanks to his book, "Two-way Passage," which FDR had just recommended to Winnie.

"Two-way Passage" advocated aggressive democracy-building by the U.S. in postwar Europe, with American citizens of foreign descent bringing democratic ideals back to the lands they came from. The main obstacle, the book maintained, would be British imperialism, the Tory policy of keeping oppressive governments in power abroad. At the White House dinner this conflict was dramatized, in a scintillating duel of wits between Roosevelt and Churchill which "Dinner at the White House" (Harper & Bros., 49 East 33rd Street, New York; \$2.50) reports verbatim.

Roosevelt, says Adamic, lost the duel. "A kind heart, an adroit brain and a shower of sparks," he weakened and let Britain set the moral level of our post-war conduct. The author concludes with dire prophecies of war. Unless we help countries within our power toward democracy, he says, they will turn to Russia, and we will fight.

About Russia, Adamic's over-easy tolerance will infuriate thousands. But that does not make "Dinner at the White House," with its glittering gossip and partisan gospel, any the less worth reading.

"Keep It Crisp"

By S. J. Perelman

DID you ever think of what would happen to the man who took his current reading literally, obeying to the letter all advertisements, household hints, advice to the lovelorn, and directions on boxes and in books on self-betterment? His manic gibber would recall the conversation of S. J. Perelman's characters, who follow a like course.

There is hardly an absurd commercial or tired catchword which they don't swallow whole and act out (like the one who reads too many soap ads and becomes a lovely-white-hand fetishist, with disastrous results).

"Keep It Crisp" (Random House, 20 East 57th Street, New York; \$2) is a set of side-splitting satires on fads, phrases and fooleries, couched in the ludicrous language with which S. J. Perelman peps up *The New Yorker* magazine.

"Diamonds in the Dumplings"

By Susannah Shane

FORGIVE the title, and this tale will offer a thoroughly tangled web, with Christopher Saxe, intelligent amateur sleuth, to assist in unravelling it. Firmly tied to the classic jewel-robbery base and threading out into blackmail and murder, the strands lead through fabulous Connecticut estates, innocent villages and Chicago hot-spots, to a curiously benevolent end. A well-knit mystery for those who like to ponder as they read (Doubleday and Co., 14 West 49th Street, New York; \$2).—BART BARBER

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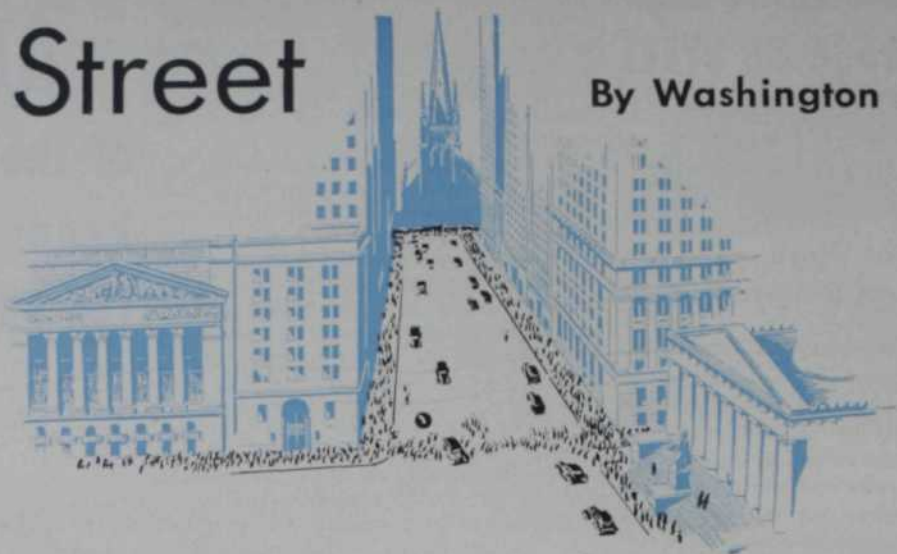
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Our Street

By Washington Dodge



Nomenclature

WHEN the corporate baby is conceived, the job of christening is often left to the last—first let the financial wizards decide on the infant's capitalization and the legal talent write a charter as broad as the Mississippi. When the question of name comes up there will be the temptation to call the new company after its chief promoter. *E. I. du Pont de Nemours, Inc.*, is the best and biggest example of this procedure. Both family du Pont and company du Pont have had no reason to be ashamed of the other since 1802. But the procedure has its risks.

Another favorite procedure is to adopt a name that resounds loudly but rather meaninglessly. There were quite a few laughs in Our Street when in 1942 an amalgamation of a fire engine company in Elmira, N. Y., a telephone equipment company in Meriden, Conn., and a cellular rubber company in Bedford, Va., entered the world under the name of *Great American Industries, Inc.*

Where one product dominates a company, the name should identify the company and the product. *Oshkosh B'Gosh, Inc.*, is an example of what I mean. I suppose when it was formed some stuffed shirt held out for General Work Clothes. In the current list of new issues, I see two examples of this identification—a candy firm in California whose trade-mark is *Awful Fresh MacFarlane* comes out with just that corporate name, not Pacific Sweets, Inc., or MacFarlane Industries—and a chain of auto supply stores known as the *Pep Boys—Manny, Moe and Jack* will also bear that combination on its stock certificates instead of some such title as General Distributors, Inc., or Auto Suppliers, Inc.

Would *Coca-Cola Company* have as many thousands of stockholders if it had started life National Bottled Drinks Company?

★ ★ ★ ★ ★

Bear

THE TYRO in Our Street is anxious to express his opinion of the course of the market. Like the Ancient Mariner he will halt at least one of three, including his barber, his boss, and his father-in-law, none of whom it pays to alienate.

Old-timers keep their opinions in reserve for their customers, and then only give them when requested. That is why anyone who has hunted for market tips in this series of columns has been disappointed (unless he discovered some secret code of which I am not aware).

Because almost all printed comments on the market are bullish, a good deal of interest was expressed in the recent opinion of John H. Lewis, senior partner of the firm bearing his name, that the bull market is over.

Here is the subhead over his article in the *Commercial & Financial Chronicle*:

"Mr. Lewis asserts that the four-year bull market ended last May 31, and that a major deflationary trend will soon dominate prices. Ascribes this conclusion to (1) additional concessions to labor; (2) demand-killing effects of cost rises; (3) our imposing productive capacity; (4) uniform historical pattern of postwar business activity. Denies validity as bullish factor of huge liquid assets or depreciating dollar."

This is presented here without endorsement or denial, solely on

its journalistic merits. I hope it is read by the fellow airplane traveler who asked me a few weeks ago, "I know by heart every argument why the market should go up. But there's a seller for every buyer. Don't any brokers think the market can go down?"

★ ★ ★ ★ ★

Dividends

ONE ancient shibboleth of investing with which your scribe has little patience is that the length of time over which dividends have been paid is an indication of investment merit.

That it is an indication of the ability of previous management, under previous conditions, granted. But investment consists of looking ahead, not over the past.

Take the case of A. G. Spalding & Brothers, one of many. In the 1920's the shares of this company sold over \$100. And why not? Here was a fine business that had been paying good dividends since 1902. But in 1932 Spalding, together with many another company, hit the resin and stopped paying. Several years later the stock sold around 35 cents a share. Last year dividends were resumed. According to the dividend devotees the stock was a better buy in 1932, with three decades of dividends, than it was last year.

The moral is that past performance means little—especially these days when management finds itself under rules from day to day.

For those readers who still like dividend records, let it be recorded that the five companies on the New York Stock Exchange with the longest consecutive dividend

records and the year of initial payment are: Pennsylvania Railroad (1848); Continental Insurance (1854); Corn Exchange Bank & Trust Company (1854); Pennsylvania Salt Manufacturing Company (1863); The American News Company (1864). Please take none of my previous remarks as a reflection against this hoary but robust quintet.

★ ★ ★ ★ ★

Annual reports

THE RECENT annual report of Minnesota Valley Canning Company was everything a stockholder should desire, from figures to format. A rather extraordinary feature was a special foreword by the president headed "A DASH OF COLD WATER." I quote from it because the things it mentions are so typical of all businesses, and so happily overlooked by most stockholders and reports:

"In reporting on a year like the one recently closed, it would be easy for the management of Minnesota Valley Canning Company to wear a self-satisfied expression and let the figures speak for themselves. New highs in cases of company's products packed, in dollars of sales, of earnings, of assets and of working capital certainly reflect progress. . . .

"However, we must not let ourselves be fooled into taking these comparisons too literally, because each of today's dollars are capable of doing less work than were the dollars we had back in 1936, in 1940, and in other prewar years. Our working capital . . . is more than double what we had going into our 1946 crop year. But it won't handle double the amount of product, because our anticipated cost per case this year is nearly 40 per cent higher. . . .

"Necessary replacements and improvements will make demands on this working capital. If, in 1936, we bought a new machine that would be good for ten years at a cost of \$1,000, we would have charged into cost each year \$100. . . . But if the replacement machine in 1946 will cost \$1,500, we will use not only the whole \$1,000 allotted for the purpose in the depreciation reserve, but also an additional \$500 of our working capital. . . .

"We sincerely trust that this foreword will help the readers to make the correct appraisal of the facts and figures in our formal reports which follows."

For a lucid explanation of what a depreciated dollar means to a corporation, as well as for a re-

What's DIFFERENT about a Californian?

.. the way he dresses

Californians, living outdoors much of the time, wear clothes to fit this environment. Simple — providing the utmost physical freedom — colorful, informal, the clothes a Californian wears are as typical of the state as the snow-capped mountains and the sunny beaches.



... and the way he banks

"The California Trend"

... a fact-based forecast . . . will help you plan your business if your plans include California. Write Dept. AD, 300 Montgomery St., San Francisco 20, or 660 So. Spring St., Los Angeles 54, for a free copy.

Californians like informality in their banking, too. They go to the bank in their own neighborhood, a few blocks away. There, at the Bank of America branch they find the kind of banking service they prefer—friendly, convenient, unpretentious, and complete in every respect.

Bank of America, a member of the Federal Reserve System and the Federal Deposit Insurance Corporation, has main offices in the two Reserve cities of California—San Francisco and Los Angeles.

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freshening willingness to give stock-
holders both sides, the makers of
Green Giant Peas are noteworthy.

STUDENTS of annual reports will
always list among the rarer ex-
hibits the annual report a year ago
of Atlas Tack Corp., a concern list-
ed on the New York Stock Ex-
change. Lamented the president:
"The roof of the Fairhaven plant
has so many leaks you can't count
them all, and the floor is falling in
all over the building. The sides of
two of the boilers are caving in.
The machinery is mostly very old
and something falls in pieces al-
most every day. It is remarkable
that the personnel produces as
good quality products as they do
with the condition of equipment
and methods of manufacture in
vogue."

Atlas Tack did not collapse when
these words appeared. Our Street
is as suspicious of extreme pes-
simism as extreme optimism.

THE annual report which does not
give a comparison at least with the
figures of the previous years is rap-
idly disappearing. A few companies
are helping stockholders by mak-
ing comparisons over a period of
several years—among them, for
example, is Briggs Manufacturing
which this year shows comparisons
annually back through 1938.

Most reports steer clear of men-
tioning anything about stock
prices or values. I have always felt
that when presenting reports for a
series of years price ranges would
be of value to the reader. If the
stockholder wasn't interested in
whether to sell or buy more, he
probably would not bother to read
the report.

★ ★ ★ ★ ★

Advice

SO LONG as there has been a stock
market there have been books and
articles on how to make money on
it. But all the wisdom of all the
books was summarized recently in
the foreword of a brochure put out
by Templeton, Dobbrow & Vance,
Inc., investment counsellors of
New York City. Here are the magic
words—I have considered having
reprints made and hung over ev-
ery ticker in my office:

"TO BUY WHEN OTHERS ARE DESPON-
DENTLY SELLING AND TO SELL WHEN
OTHERS ARE AVIDLY BUYING REQUIRES
THE GREATEST FORTITUDE AND PAYS
THE GREATEST REWARD."

Isn't that simple? As simple as that
other wisdom:

"Go and sin no more."

Short orders in short order



WEBSTER ELECTRIC
Teletalk
REG. U.S. PAT. OFFICE

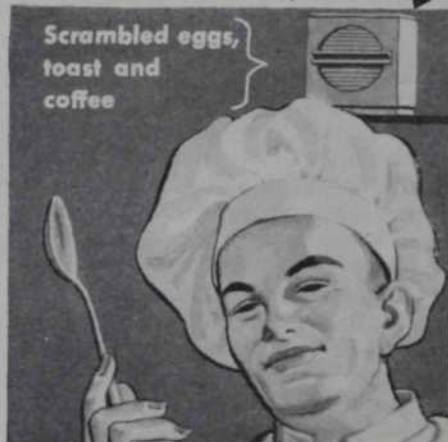
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The "Teletalk" illustrated above for restaurant
use is another adaptation of the varied models
so popular for offices, stores, garages, and a
host of other businesses.

When used by restaurants, it saves considerable
running back and forth to the kitchen or serv-
ing window. With the aid of "Teletalk", the
present staff of waiters can serve customers
more efficiently. The tone is clear and has nat-
ural quality. The initial installation is not ex-
pensive, and the current consumed is negligible.

A variety of "Teletalk" models and installations
make this same convenience available to meet
the specific needs of other businesses.

A call to the nearest "Teletalk" distributor,
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recommendations, or you can write direct to
Webster Electric Company, Racine, Wisconsin.



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"Where Quality is a Responsibility
and Fair Dealing an Obligation"

Aside Lines



By CHARLES W. LAWRENCE

THE MELANCHOLY days are come, the saddest of the year, when the frost is on the pumpkin and the corn's back on the air.

★ ★ ★

AMONG the less promising signs of the times is the breakdown of the International Air Transport Agreement. Both the airplane and the dove of peace are having trouble finding a landing place.

★ ★ ★

AMERICAN business men are making increasing use of weather forecasting—hoping, no doubt, that they will thus be able to anticipate the inevitable rainy day.

★ ★ ★

CPA OFFICIALS deny that their resistance to the longer skirt fashions is an attempt to regulate aesthetics. What they are worried about is the disappearance of an inadequate supply, not an adequate limb.

★ ★ ★

THERE is cause for alarm in the plans of the nylon makers to bring their product out in many bright colors. To keep Mother in all these new hues is likely to keep Father in the red.

★ ★ ★

IT is not surprising that the nation has gone through its worst beer shortage in a year in which nothing much has been brewed but trouble.

★ ★ ★

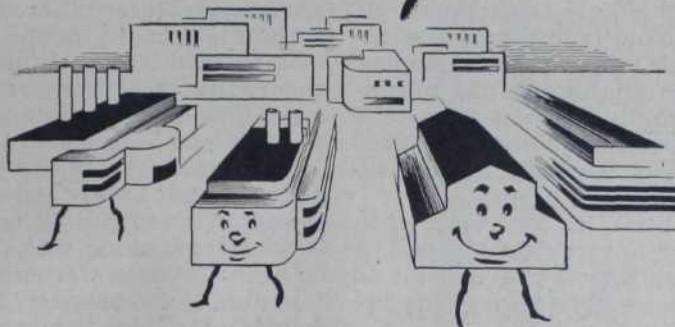
FEDERAL agencies are being given first call on some 600,000 compasses for sale by the WAA. These agencies, it is recognized, are in need of finding out where they go from here.

★ ★ ★

At a conference in London, chemical experts have taken steps to increase the world supply of glue. It will be nice if the scientists can discover the means of making international agreements stick.

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INDUSTRIAL PLANTS *are decentralizing to* MISSISSIPPI

Like many other states, Mississippi has a mild climate, a strategic geographical location, abundant resources that need development, fuel, power, transportation, friendly labor—in fact all the favorable attributes for successful industrial operation. All are good reasons why industries are coming to Mississippi. But a Big Reason industries are decentralizing to Mississippi is BAWI. Under this Mississippi law, people are investing their money in plants for you. Where else are workers and community demonstrating such faith? Where else are you met more than half-way?

There are good reasons, too, why you should combine business and pleasure in a Mississippi trip for yourself and family. You'll find Mississippi a charming vacation spot, where you can either relax and rest or enjoy your favorite recreation.



Ask for a confidential report on Mississippi's industrial opportunities.

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New Capitol Building
JACKSON, MISSISSIPPI

(BAWI Means "Balance Agriculture With Industry")



MISSISSIPPI

★ THE BAWI STATE ★

On the Lighter Side of the Capital



Cynic on the third level

NO ONE quite understands how he got into the State Department. He has moments of commonness in spite of his relatives and diplomas. He shakes a handsome pair of pin-striped pants when he goes to a cocktail party but he learned about faro west of Kansas City and St. Louis taught him craps.

"Men born in the wide open spaces are nature's noblemen," he said. "But they know enough to watch the cut when they play indoor games."

In his opinion we are, as a people, attaining a position of cynicism internationally.

"Just like it was in the final days of the prohibition experiment. Then we had pains in the joints."

A cold molasses movement

MILLIONS of persons, each engaged in his own private business of making a living, do not make up their collective minds rapidly or unanimously. But he thinks we have learned a lot about life in the passing year. A scientist said we will not be politically mature before 1990, but the State Department man thinks we are pretty nearly grown up right now. If the Washington characters would get off the lecture platforms and away from the mikes and listen in bar-rooms and garages north, west and south they'd be surprised. He has a good many contacts and an astounding volume of correspondence.

We're watching the cut

"THIS stuff about selling democracy to Europe isn't worth four dollars a ton west and south of Washington. There just isn't any market for it."

He has not got anywhere in the State Department with this thought. He thinks of his associates there as either disgust-

ingly Good Neighbors, so soft that, if you poked them, the finger would go in to the cuff button, or else they are playing international politics without a thought for the kibitzers looking over their shoulders. His theory that the taxpayers still look on money as something you work hard to get is brushed off. If his sampling is accurate, our people do not care what kind of governments European countries have as long as we can get along with them and do business. Even Germany will be tolerated if she behaves. The total failure of Henry Morgenthau's scheme to make the Germans live on rutabagas and kraut is evidence. We don't cry about them, either. They bought something C.O.D.

Still speaking of people

HE thinks the popular attitude toward other peoples has hardened up. We suffered from an attack of clouded sentiment after the first World War, he thinks, but we are pretty clear now:

"We're willing to help Britain and France because that is to our interest. But we do not trust them. Not any more than they trust us. We have cancelled out George III and Lafayette. We know that George of Greece is a dime store king and it is absurd to find ourselves supporting a monarchy but we are doing so because we think it will pay. This chaff about ideology and democracy is out the window."

He does not know what will happen in the Balkans. But if the Yugoslavs go on playing rough we might buy a two-dollar ticket on little King Peter. He is a joke, of course, and his royal line traces right back to a flourishing business in pig bristles, but we are playing in a tough game and Peter might prove to be the deuce we need. We don't want to pull a gun.

Stories about Russians

THERE has been an unbelievable amount of yawning about an on-

rushing war with Russia. He does not believe a word of it. He is very certain that:

"Excuse the new talk of levels. It all began in OPA, where a lot of other pretty crummy things began—"

Anyhow, he is sure that, on the very highest levels, no one is at all alarmed about a war with Russia. The highest levels would be President Truman and Secretary of State Byrnes and Connally and Vandenberg, senators. Only, on those same levels it is admitted that we do not understand the Russkys any more than we do the Yogi philosophy. So we are watching.

Byrnes knows this one

WE are pretty easy-going people, as we all know. We can get along with easy-going people. But over in Germany a pair of Russian soldiers took on a slight overdose of vodka, which is not as harmless to Russians as some of the story tellers would have us believe, and blundered into the American zone and made trouble and were pinched and taken back under guard:

"So," said the Russian officer who received them. "They did these things, yes? You know it?"

"I saw 'em," said the American officer. "They raised hell. They should be punished."

He thought they might get 30 days on the rocks. The Russian officer delivered a long and impassioned address to the pair. Then he shot both dead.

And here's another one

OVER in Korea the Russians and Americans have had a good deal of trouble on the frontier lines. One Russian post had formed the habit of shooting at Americans when they came in sight. Under strict orders the Americans did not shoot back.

At last the patience of a long Texan cracked and he and his squad shot with considerable effect. Their commanding officer placed them under arrest and then asked formal permission to call on his opposite number.

He told the Russian what had happened:

"Yes," said the Russian. "I know all about it. You shot two of my men."

The American explained that



the patience of a Texan can be strained:

"That's all right," said the Russian with a grin. "Think nothing of it. I've often wondered why your men haven't shot before."

We just don't understand the Russians.

First build-up is sighted

THE dope hereabouts is that Franklin D. Roosevelt, Jr., has been picked as the Heir Apparent. Politicians have anticipated that one of the Roosevelt sons would be selected to carry on the Roosevelt political line. Once a name gets established in the popular mind it has a way of staying established. There is little doubt that some votes were cast for F.D.R. himself by people who had Teddy Roosevelt in mind. Some folks say ballots are still being cast for Andy Jackson. A Roosevelt son who has something on the ball could be a sure-enough contender in any national Democratic convention. There would be a yell about the birth of a dynasty, of course, but there are smart politicians who think we are not as afraid of a dynasty as we used to be. Maybe they are wrong.

The kid has something

THEY say—and your guess at who they may be is as good as any one's—that Franklin D., Jr., is his mother's choice, and that those who underplay Mrs. Eleanor because now and then she goes to sleep at the wheel or shouts in what looks like the wrong barrel are just horribly, horribly wrong. In politics she is as smart as a money-lender. She never makes the mistake of explaining or defending. She has a following that is her inalienable own and no one has ever been able to push her around. She could even stand up against her husband.

Franklin D., Jr., has his own share of his father's charm. He made a good war record, unmarred by mastiffs or other errors, and nothing is to be chalked up against his private life. He married into the du Pont family—and that is no disadvantage.

The build-up has begun.

Chickens coming home

A NEW job and a big one is waiting for Gen. George C. Marshall if and when he can be extracted from the

morass in China, if gossip can be trusted.

He will be asked to take some kind of an emeritus or advisory position and clean up the Army. Wash day isn't far away.

"No criticism of Eisenhower or any other of the fighting generals is implied. They did a swell job"—a man of weight speaking—"but some of the operations at home handicapped the fighting forces."

Marshall was chief of staff during this period, of course, but he was engaged with the higher strategy. He would have changed some commands and blocked some follies but the late Harry Hopkins overrode him through his position in the White House. Marshall knows the mistakes made as does no other man and, although he is very tired, it is believed he would accept the position suggested because his heart would be in it. He fought the Canol project and the so-called Pan-American highway until his mouth was closed by order.

It is not yet clear how we can get out of our unfortunate position in China. It is clear that we want to get out. We seem to have just two chances and both to lose.

A look in the bowl

FIRST-GUESSERS who think they know how the Presidential mind works say that Ed Pauley is due for another important assignment. It will be, they say, more important than his present commission to look-see what our Allies are in a general way doing to us in Europe and Asia. They point out that:

Mr. Truman is pleased to the point of being proud of Pauley's success in this job:

He wants to give Pauley further recognition:

Pauley's trouble with the Senate was due to Mr. Ickes's charge that he had offered to fatten the Democratic National Committee's kitty. Mr. Truman holds a card as a working politician. He was probably able to stand the shock of this revelation. He has not yet protested because Chairman Hanne-gan is playing footie with the CIO. Even Senator Hatch, who invented the clean-politics-or-else law, admits that it does not work.

Even to the very last Mr. Truman will not be able to like Mr. Ickes.

This is not as irrelevant as it sounds.

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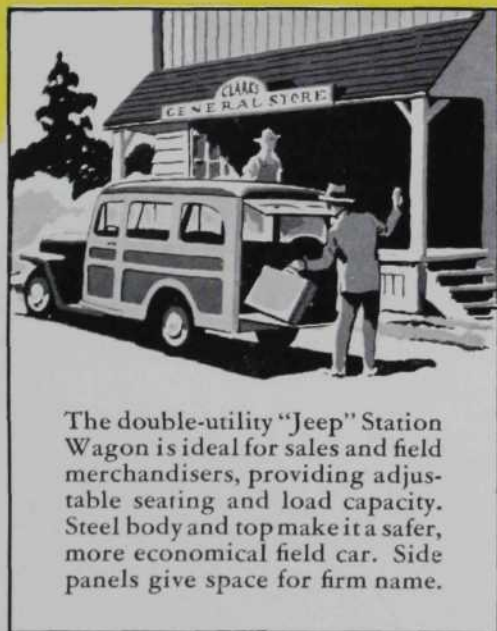
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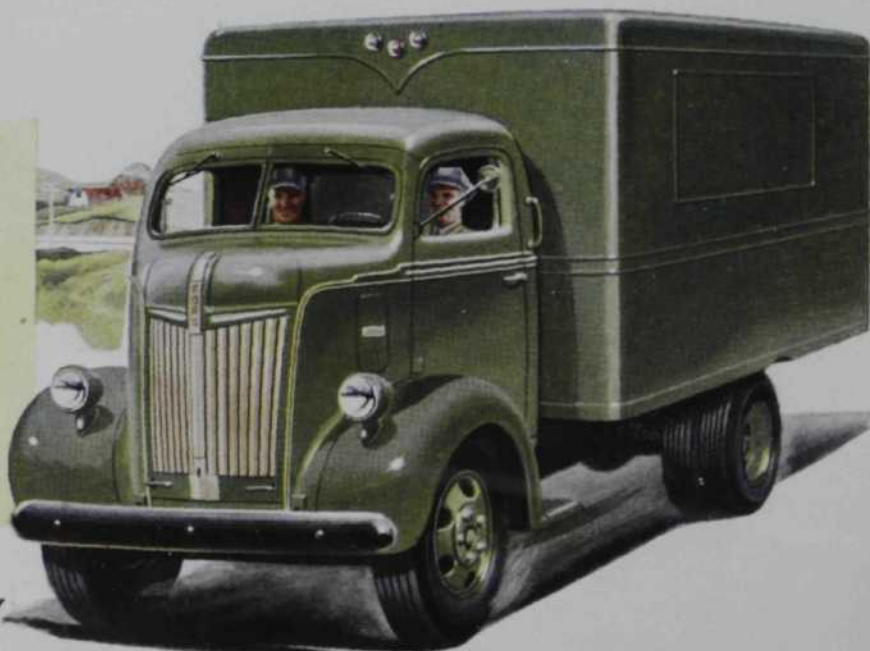
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